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BY:

UNITED STATES DISTRICT COURT

CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

UNITED STATES OF AMERICA *ex. rel.*, NASER AREFI, AJITH KUMAR and PRIME HEALTHCARE SERVICES, INC.,

Plaintiffs,

vs.

KAISER FOUNDATION HEALTH PLAN,INC., a California corporation; KAISER FOUNDATION HEALTH PLAN OF COLORADO, a Colorado corporation; KAISER FOUNDATION HEALTH PLAN OF GEORGIA, INC., a Georgia corporation; KAISER FOUNDATION HEALTH PLAN OF THE NORTHWEST, an Oregon corporation; KAISER FOUNDATION HOSPITALS, a California corporation; SOUTHERN CALIFORNIA PERMANENTE MEDICAL GROUP, a California corporation; THE PERMANENTE MEDICAL GROUP, a California corporation; COLORADO PERMANENTE MEDICAL GROUP, P.C. a Colorado corporation; THE SOUTHEAST PERMANENTE MEDICAL GROUP, a Georgia

CASE NO. CV15-07050 RGK(JCx)

COMPLAINT FOR VIOLATIONS OF THE FALSE CLAIMS ACT, 31 U.S.C. §§ 3729-3733

(FILED IN CAMERA AND UNDER SEAL PURSUANT TO 31 U.S.C. §§ 3730(B)(2))

DEMAND FOR JURY TRIAL

(1)

PAID
SEP -4 2015
Clerk, US District Court

NELSON HARDIMAN LLP

corporation; HAWAII PERMANENTE MEDICAL GROUP, a Hawaiian corporation; and NORTHWEST PERMANENTE, P.C., an Oregon corporation,

Defendants.

Plaintiff United States of America ("United States"), by and through Relators Naser Arefi, Ajith Kumar, and Prime Healthcare Services, Inc., allege as follows:

INTRODUCTION

1. Naser Arefi, Ajith Kumar and Prime Healthcare Services, Inc. (collectively "Relators") bring this action on behalf of the United States of America against Defendants Kaiser Foundation Health Plan, Inc. and its regional subsidiaries ("Kaiser"), Kaiser Foundation Hospitals and its regional subsidiaries ("Kaiser Foundation Hospitals"), and the Kaiser Permanente Medical Groups ("Kaiser Medical Groups") (collectively the "Kaiser Defendants") for treble damages and penalties under the False Claims Act, 31 U.S.C. §§ 3729-3733 ("FCA") for submitting fraudulent claims and statements to the Medicare Part C managed care program for risk adjustment payments based on false diagnoses of major medical conditions (e.g., diabetes, cancer, heart disease, kidney failure, respiratory failure, major psychiatric disorders) for tens of thousands of Medicare beneficiaries enrolled in Kaiser's Medicare Advantage managed care plans.

2. Between 2008 and 2013, this massive Kaiser fraud scheme has conservatively caused the Medicare program to improperly pay more than $14 billion ($14,455,832,951) and possibly as high as $26 billion in risk adjustment overpayments to Kaiser that the plan falsely claimed reflected the additional cost of treating patients with major medical conditions that was not adequately compensated by the monthly fixed or "capitated" fee paid by to Kaiser for each

Medicare beneficiary enrolled in Kaiser's Medicare Advantage managed care plans. In fact, Kaiser did not actually need or use any of this enormous amount of taxpayer dollars to treat Medicare beneficiaries because the diagnoses of major medical conditions reported by Kaiser to justify such risk adjustment payments were fabrications based on the Kaiser Defendants' after-the-fact medical record reviews, use of diagnostic criteria that find no support in medical literature or accepted standards of medical or coding practice, and systemic manipulation and pressuring of Kaiser physicians to cooperate with the scheme by over-diagnosing patients with severe medical conditions that either did not exist at time of a face-to-face physician encounter or were not being currently treated. These practices by Kaiser Defendants also violated CMS's requirement that any major medical condition be diagnosed, treated and documented by a physician based on a face-to-face patient encounter occurring in the year in which the risk adjustment payment was claimed, not on retrospective mining of clinical data that was often many years old and did not reflect the Medicare enrollee's current medical condition.

3. While Kaiser is a Health Maintenance Organization ("HMO") that is supposed to manage and improve the health of Medicare enrollees and thereby reduce the cost of their care, Kaiser Defendants' fraud scheme creates a false picture of a Medicare managed care population that is getting sicker and sicker and has caused the cost of care per Kaiser Medicare enrollee to be approximately 70% more on average than the cost of care for a traditional Medicare patient. In particular, Kaiser has claimed billions of dollars in risk adjustment payments for Medicare enrollees who supposedly have severe medical conditions – including diabetes with chronic complications, kidney failure, vascular disease, angina, polyneuropathy, malnutrition, congestive heart failure, major depression, metastatic cancer and acute leukemia, septicemia, and proliferative diabetic retinopathy/vitreous hemorrhage – at rates that are at least double and, in some cases, more than ten times higher than the rates reported by other California

hospitals for traditional Medicare patients with the same conditions. This action is brought to end this Kaiser fraud scheme and compel the Kaiser Defendants to reimburse the federal government for the billions of dollars in risk adjustment overpayments made by CMS based on their submission of false and fraudulent diagnostic data to CMS regarding the medical conditions of Medicare Advantage enrollees.

JURISDICTION AND VENUE

4. This Court has subject matter jurisdiction under 28 U.S.C. §§ 1331, 1345, and 3732. The Court may exercise personal jurisdiction over Defendants under 31 U.S.C. § 3732(a) because the FCA authorizes nationwide service of process, Defendants Kaiser, Kaiser Foundation Hospitals, and Southern California Permanente Medical Group conduct business in this District, and the other Defendants are related U.S. corporations that transact business in and have the required minimal contacts with the United States.

5. Venue is proper in this District under 31 U.S.C. § 3732 and 28 U.S.C. § 1391(b) because Defendant Southern California Permanente Medical Group's principal place of business is in this District, Defendants Kaiser and Kaiser Foundation Hospitals transact business in this District, and the fabrication of ICD-9-CM diagnoses for Medicare Advantage giving rise to this action occurred in part in this District.

6. Prior to filing this complaint, Relators voluntarily disclosed to the United States the information on which the allegations and transactions described in this action are based.

PARTIES

Plaintiff and Relators

7. Relators bring this action on behalf of Plaintiff United States and its agency, the United States Department of Health and Human Services ("DHHS") and its component, the Center for Medicare & Medicaid Services ("CMS"), which

administers the Medicare Program. At all times material to this action, CMS has been an agency within the DHHS and has administered the Medicare Advantage program, which paid benefits from funds provided by the Federal Government. CMS provided Medicare benefits to qualified recipients, which included payment of claims to Defendant Kaiser and the Kaiser Plans for their provision of benefits to Medicare Advantage members.

8. Relator Naser Arefi is a former employee of Kaiser and current employee of a subsidiary of Relator Prime Healthcare Services, Inc. He is a foreign medical school graduate (Tehran University Of Medical Science & Health Service, 1997), certified clinical documentation specialist (Association of Clinical Documentation Improvement Specialists (ACDIS), 2015), certified coding specialist (American Health Information Management Association (AHIMA), 2011), and a certified professional in healthcare management (McKesson Corporation, 2010). Between September 2011 and April 2014, Arefi was employed as a Clinical Documentation Consultant ("CDC") by the Permanente Medical Group ("TPMG"), the Kaiser Medical Group for Northern California. As a Kaiser CDC, Arefi worked for the Auditing and Coding Services ("ACS") group of TPMG's Encounter Information Operations ("EIO") Department, conducting data mining for additional diagnoses in the electronic health records of Medicare enrollees pursuant to Kaiser algorithms which he was involved in developing. As a TPMG CDC, Arefi has direct insider knowledge of the Kaiser fraud scheme described in this disclosure, including with respect to the Kaiser Defendants' (a) use of the KP HealthConnect system to improperly steer physicians to select CMT diagnosis terms mapped by the plan to HCC-qualifying ICD-9-CM diagnosis codes, (b) data mining for additional ICD-9-CM diagnoses of severe medical conditions not made by the treating Kaiser physician or clinically supported by the Medicare enrollee's medical condition, and (c) use of physician queries to induce treating physicians to add such false and after-the-fact ICD-9-CM diagnoses to the

Medicare enrollees' electronic charts so that Kaiser can report them as current HCC conditions to CMS.

9. Relator Ajith Kumar is the Vice President of Reimbursement Management at relator Prime Healthcare Services, Inc. and an expert in Medicare coding and reimbursement. He has a medical degree from India known as an M.B.B.S. (Annamalai University, India, 2000), a masters in healthcare administration (University of La Verne, California, 2002), and is pursuing a masters in health information management (Claremont Graduate University, California). Kumar also holds the following certifications: Certified Clinical Documentation Specialist (Association of Clinical Documentation Improvement Specialists (ACDIS), 2008), Certified Case Manager (The Commission for Case Manager Certification (CCMC), 2013), Certified Coding Specialist (American Health Information Management Association (AHIMA), 2008), Certified Coding Specialist – Physician Based (AHIMA, 2008), Certified Documentation Improvement Practitioner (AHIMA, 2011), Certified ICD-10-CM/PCS Trainer (AHIMA, 2011), Certified in Healthcare Compliance (Health Care Compliance Association (HCCA), 2012), Certified Health Data Analyst (AHIMA, 2012), Certified Healthcare Finance Professional (Healthcare Financial Management Association (HFMA), 2012), Certified in Healthcare Privacy and Security (AHIMA, 2012), Certified Healthcare Technology Specialist in Clinician/Practitioner Consultant Examination and Practice Workflow and Information Management Redesign (North Virginia Community College (NOVA) and AHIMA, 2012), Certified HIPPA Professional (HIPPA Academy, 2010), Certified Strata™ IT Fundamentals (CompTIA, 2013), Certified Healthcare IT Technician (CompTIA, 2015), Certified Professional Coder (American Association of Professional Coders (AAPC), 2009), Certified Professional Coder – Hospital (now, Certified Outpatient Coder) (AAPC, 2009), Certified Professional in Healthcare Information and Management Systems (Healthcare Information and

Management Systems Society (HIMSS), 2012), CPMA, Certified Professional Medical Auditor (American Association of Professional Coders (AAPC), 2013), Certified Professional in Healthcare Management (McKesson Corporation, 2010), Certified Professional in Healthcare Quality (National Association for Healthcare Quality, 2012), Health Information Technology – Implementation Manager (Cypress College, 2011), Health Information Technology Professional (HIT Pro™) in Clinical/ Practitioner Consultant (NOVA, AHIMA, The Office of the National Coordinator for Health Information Technology (ONC), 2012), HIT Pro™ in Practice Workflow & Information Management Redesign Specialist (NOVA/ AHIMA/ONC, 2012), Health Information Technology – Trainer (Cypress College, 2011), and Registered Health Information Technician (AHIMA, 2013). As an expert in Medicare reimbursement and health information management, Kumar performed and supervised the complex statistical analysis needed to (a) compare Kaiser's reported rates of ICD-9-CM diagnoses qualifying as HCCs with those reported by traditional Medicare providers and other Medicare Advantage plans, and (b) calculate the estimated amount of risk adjustment overpayments made by CMS to Kaiser based on the plan's submission of false and fabricated ICD-9-CM diagnosis codes for Medicare enrollees qualifying as HCCs with those reported by traditional Medicare providers and other Medicare Advantage plans.

10. Relator Prime Healthcare Services, Inc. ("Prime"), and the Prime Healthcare Foundation own and operate 35 acute care hospitals, 15 in California and 19 in ten other states (Alabama, Indiana, Kansas, Michigan, Missouri, Nevada, New Jersey, Pennsylvania, Rhode Island and Texas.) A significant number of the patients treated by Prime hospitals are Medicare beneficiaries covered under Parts A, B and C of the program. As a result, Prime is an organization with comprehensive expertise in Medicare program requirements governing services to Medicare beneficiaries and the billing of those services to the Medicare program, including Kaiser's services to Medicare enrollees, some of whom are treated by

Prime for emergency medical conditions.

Defendants Kaiser and Kaiser Plans

11. Defendant Kaiser Foundation Health Plan, Inc. ("Kaiser") is a California corporation qualified to do business in the States of California and Hawaii as a health maintenance organization ("HMO") with its principal place of business in Oakland in the County of Alameda, California, and is also a Medicare Advantage Organization that is regulated by CMS and provides health care services to Medicare beneficiaries enrolled in one of its Medicare Advantage plans. Kaiser is the parent company of Defendant Kaiser Foundation Hospitals, Inc. and controls the services provided to Medicare Advantage enrollees outside of California and Hawaii through three regional subsidiaries (Kaiser Foundation Health Plan of Colorado, Kaiser Foundation Health Plan of Georgia, Inc., and Kaiser Foundation Health Plan of the Northwest) that also offer Medicare Advantage plans. Kaiser is also authorized and registered under the laws of Colorado, Georgia, Oregon and Washington to conduct business as a foreign corporation in those three states.

12. Defendant Kaiser Foundation Health Plan of Colorado is a Colorado corporation qualified to do business in the State of Colorado as an HMO with its principal place of business in Denver County, Colorado. This HMO is also a Medicare Advantage Organization that is regulated by CMS and provides health care services to Medicare beneficiaries enrolled in one of its Medicare Advantage plans and, on information and belief, is a wholly owned subsidiary of Kaiser.

13. Defendant Kaiser Foundation Health Plan of Georgia, Inc. is a Georgia corporation qualified to do business in the State of Georgia as an HMO with its principal office located in Atlanta in Fulton County, Georgia. This HMO is also a Medicare Advantage Organization that is regulated by CMS and provides health care services to Medicare beneficiaries enrolled in one of its Medicare Advantage plans and, on information and belief, is a wholly owned subsidiary of Kaiser.

14. Defendant Kaiser Foundation Health Plan of the Northwest is an

Oregon corporation qualified to do business as an HMO in the states of Oregon and Washington with its principal office located in Portland in Multnomah County, Oregon. This HMO is also a Medicare Advantage Organization that is regulated by CMS and provides health care services to Medicare beneficiaries enrolled in one of its Medicare Advantage plans and, on information and belief, is a wholly owned subsidiary of Kaiser.

15. Defendants Kaiser Foundation Health Plan of Colorado, Kaiser Foundation Health Plan of Georgia, Inc., and Kaiser Foundation Health Plan of the Northwest are collectively referred to as "the Kaiser Plans."

Defendant Kaiser Foundation Hospitals

16. Defendant Kaiser Foundation Hospitals is a California corporation qualified to do business in the State of California with its principal place of business in Oakland in the County of Alameda, California, that owns and operates 38 acute care hospitals (most in California, but including single hospitals in Hawaii and Oregon) and over 600 medical offices in California, Colorado, Georgia, Hawaii, Maryland, Oregon, Virginia, Washington, and the District of Columbia.

17. Defendant Kaiser Hospitals is a wholly owned subsidiary of Defendant Kaiser and is also authorized and registered under the laws of Colorado, Georgia, Hawaii, Oregon, and Washington to conduct business as a foreign corporation in those states.

Defendants Kaiser Medical Groups

18. Defendant The Permanente Medical Group, Inc. is a for profit California corporation qualified to do business in the State of California with its principal office located in Oakland in the County of Alameda, California that contracts with Kaiser to provide physicians to staff Kaiser hospitals and facilities and provide professional services to Medicare Advantage enrollees in Northern California.

19. Defendant Southern California Permanente Medical Group is a for

profit California corporation qualified to do business in the State of California as a medical group with its principal office located in Pasadena in the County of Los Angeles, California that contracts with Kaiser to provide physicians to staff Kaiser hospitals and facilities and provide professional services to Medicare Advantage enrollees in Southern California.

20. Defendant Colorado Permanente Medical Group, P.C. is a for profit Colorado corporation qualified to do business in the State of Colorado as a medical group with its principal office located in Denver in Denver County, Colorado that contracts with Kaiser and/or Kaiser Foundation Health Plan of Colorado to provide physicians to staff Kaiser hospitals and facilities and provide professional services to Medicare Advantage enrollees in Colorado.

21. Defendant The Southeast Permanente Medical Group is a for profit Georgia corporation qualified to do business in the State of Georgia as a medical group with its principal office located in Atlanta in Fulton County, Georgia that contracts with Kaiser and/or Kaiser Foundation Health Plan of Georgia, Inc. to provide physicians to staff Kaiser hospitals and facilities and provide professional services to Medicare Advantage enrollees in Georgia.

22. Defendant Hawaii Permanente Medical Group is a for profit Hawaiian corporation qualified to do business in the State of Hawaii as a medical group with its principal office located in Honolulu in Honolulu County, Hawaii that contracts with Kaiser to provide physicians to staff Kaiser hospitals and facilities and provide professional services to Medicare Advantage enrollees in Hawaii.

23. Defendant Northwest Permanente, P.C. is a for profit Oregon corporation qualified to do business in the state of Oregon and Washington as a medical group with its principal office located in Portland in Multnomah County, Oregon that contracts with Kaiser and/or Kaiser Foundation Health Plan of the Northwest to provide physicians to staff Kaiser hospitals and facilities and provide professional services to Medicare Advantage enrollees in Oregon and Washington.

24. Defendants The Permanente Medical Group, Colorado Permanente Medical Group, P.C., The Southeast Permanente Medical Group, Hawaii Permanente Medical Group, and Northwest Permanente, P.C. are collectively referred to as "the Kaiser Medical Groups."

25. The Kaiser Medical Groups employ physicians to provide professional physician and ancillary medical services to Kaiser Medicare Advantage enrollees in California, Colorado, Georgia, Hawaii, and Oregon, both inside and outside of Kaiser hospitals and other facilities, pursuant to agreements with Kaiser or one of the Kaiser Plans in exchange for both capitation payments (a fixed amount per enrollee assigned to the Kaiser Medical Group per month) and a share of Kaiser's or a Kaiser Plan's net revenue.

Defendants as Co-Schemers

26. Although Kaiser, the Kaiser Plans, Kaiser Foundation Hospitals, and the Kaiser Medical Groups are regulated by different state and federal agencies and subject to different regulatory schemes and legal obligations as separate entities, they function as a single and fully integrated organization akin to a partnership, joint venture, association and/or enterprise. Kaiser owns and controls the Kaiser Plans and Kaiser Foundation Hospitals as subsidiaries, and Kaiser and the Kaiser Plans maintain agreements for the Kaiser Medical Groups to staff the Kaiser hospitals and other facilities with physicians and to provide medical management services to the Kaiser hospitals and other facilities, and also to provide professional and ancillary medical services to Kaiser members, including Medicare Advantage enrollees, inside and outside of Kaiser hospitals. In particular, Kaiser issues and implements system-wide policies and procedures for the Kaiser Plans, Kaiser Foundation Hospitals, and Kaiser Medical Groups regarding services provided to Medicare Advantage enrollees, including with respect to medical record documentation, diagnosis coding, and CMS's risk adjustment process.

27. At all relevant times, each Defendant was acting as an agent,

representative, partner, joint-venturer, or co-schemer of the other Defendants, and, in committing the wrongful acts and omissions described in this Complaint, was acting within the course and scope of that agency, representation, partnership, joint venture, or scheme. At all relevant times, each Defendant acted in concert with each and every other Defendant, and intended to and did knowingly participate in the events, acts, transactions practices and courses of conduct described in this Complaint, and, in committing the acts and omissions described in this Complaint, each Defendant caused, aided, abetted, facilitated, encouraged, authorized, permitted and/or ratified the wrongful acts and omissions of the other Defendants.

FACTUAL ALLEGATIONS

Medicare Advantage Plans

28. The Medicare program is a federally run health insurance program benefitting those who are age 65 and older and the disabled. Enacted in 1965, the program initially consisted of Medicare Parts A and B, both insurance programs that cover inpatient and outpatient services, respectively. Under Parts A and B, Medicare pays providers enrolled in these fee-for-service ("FFS") programs based on set fees for each service (or bundle of services) that they provide.

29. In 1997, Congress enacted Medicare Part C, under which Medicare beneficiaries can elect to enroll in a Medicare Advantage plan, a managed care plan administered by a private insurance company that has entered into a contract with CMS to be a Medicare Advantage Organization ("MAO"). Medicare Advantage plans provide all Medicare Parts A and B benefits, and most offer additional benefits beyond those covered under the original Medicare program. Under its federal contract, the MAO is paid a monthly fixed or "capitated" fee by the federal government to care for each Medicare Advantage plan enrollee regardless of the amount or type of health care services the member actually uses. Over the past few years there has been an upward trend in enrollment in the Medicare Advantage program. Currently, about 27% of Medicare beneficiaries are enrolled in Medicare

Advantage plans, with the majority enrolled in Medicare Advantage HMOs.

30. Initially, CMS's capitated payments to MAOs were based solely upon enrollee demographic information, such as age and gender. In 2000, to improve the accuracy and fairness of payments, and to mitigate "cream-skimming" by Medicare Advantage plans (i.e., the preferential selection of the healthiest, low-cost/high return enrollees), CMS began implementing a new Medicare Advantage plan payment model – known as the CMS-Hierarchical Condition Category model ("CMS-HCC") – that uses demographic and diagnostic information to adjust the payment for each plan enrollee by assigning a "risk score" to each enrollee based on the health risk of each plan enrollee and the predicted expenditures for that enrollee in the following year relative to the national average. Under this CMS-HCC model, CMS's risk adjustment payments to a MAO are higher for plan enrollees with major medical conditions (e.g., high risk scores) and lower for healthy enrollees (e.g., low risk scores). This new risk adjustment reimbursement model became fully effective in 2007. *See Medicare Managed Care Manual* ("MMCM"), Pub. # 100-16, ("MMCM"), Ch. 7, §§ 20, 50, 70, 70.5.1, Ch. 8, § 50.

31. In order to obtain Medicare risk adjustment payments, CMS requires a MAO to submit accurate diagnosis codes from the International Classification of Diseases, 9th Edition, Clinical Modification ("ICD-9-CM") for each condition that is supported by the enrollee's medical record. Under the CMS-HHC model, the primary indicator of each enrollee's health status is the ICD-9-CM diagnosis codes assigned by Medicare Advantage plan providers to the enrollee and reported by the MAO in Risk Adjustment Processing System ("RAPS") files submitted at least quarterly to CMS through the agency's Front End Risk Adjustment System (FERAS) and RAPS Databases. Healthy enrollees will have no ICD-9-CM diagnoses codes, while less healthy enrollees may have multiple ICD-9-CM diagnosis codes. The MAO's reported diagnosis codes drive the risk scores assigned by CMS to Medicare Advantage enrollees for a particular year and those

risk scores in turn drive CMS's risk adjustment payments to the MAO for those enrollees during the next year. *See* MMCM, Ch. 7, §§ 110, 120, 120.1.1, 120.2, 120.2.3, 120.2.7.

32. The ICD-9-CM diagnosis codes reported by the MAO to CMS must be documented in the Medicare Advantage enrollee's medical record by the treating physician based on a face-to-face encounter with the enrollee during the relevant data collection period. The MAO's reported diagnosis codes must only describe medical conditions that existed at the time of the face-to-face encounter and were the clinical reason for the enrollee's treatment or management. *See* MMCM, Ch. 7, §§ 40, 120, 120.1.1, 120.2.3, 130. "Medical history alone may not be used as a source of diagnoses for risk adjustment purposes. For a chronic condition to be accepted for risk adjustment, the patient must have a face-to-face visit each year with a provider/physician who assesses and documents that condition." *See* CMS Customer Service and Support Center ("CSSC") 2013 National Technical Assistance, *Risk Adjustment 101 Participant Guide*, p. 17 (2013).

33. For example, a Medicare Advantage enrollee's prescription for an angiotensin-converting enzyme ("ACE") inhibitor, alone, is insufficient by itself to support a MAO's report to CMS of a diagnosis of congestive heart failure ("CHF"). Instead, CMS requires that the enrollee's medical record document a physician's diagnosis of CHF during the data collection period. Likewise, a laboratory test showing one reading of high blood sugar is not sufficient "clinical evidence" of diabetes because the medical record needs to document a physician's diagnosis of diabetes during the data collection period. Therefore, MAOs cannot submit diagnosis codes taken from prior data collection periods (even for chronic conditions) nor base them on certain types of lab results or medical records – such as radiology and lab reports – because these records do not reflect a diagnosis by a treating physician based on a face-to-face encounter with the Medicare Advantage enrollee during the current data collection period. *See* MMCM, Ch. 7, §§ 120.1.1.

34. CMS groups the ICD-9-CM diagnosis codes that it receives from the MAO plan into separate disease categories known as Hierarchal Condition Categories or HCCs. The HCCs are based upon the type of disease and the costs of treating that disease. A plan enrollee may have one or more HCCs. Based on the enrollee's HCCs and demographics, CMS calculates a "risk score" for the enrollee which determines the risk adjustment payment – consisting of the Medicare Advantage plan's base capitation rate multiplied by the enrollee's risk score – to be made to the MAO for that plan enrollee for the next year. The higher an enrollee's risk score, the higher the risk adjustment payment. Generally, only ICD-9-CM codes associated with major medical conditions (e.g., diabetes, cancer, heart disease, kidney failure, respiratory failure, major psychiatric disorders,) will result in increased CMS risk adjustment payments to the MAO. The CMS-HCC models "are prospective in the sense that they use diagnosis information from a base year to predict costs for the next year." *See* MMCM, Ch. 7, §§ 70, 70.1, 110, Ch. 8, § 50.

35. By way of example, in 2009, CMS would assign an HCC for renal failure (HCC 131) to a Medicare Advantage enrollee if a MAO reported ICD-9-CM diagnosis code 584.5 (acute renal failure with lesion of tubular necrosis), 584.6 (acute renal failure with lesion of renal cortical necrosis), 584.7(acute renal failure with lesion of renal medullary (papillary)), 584.8 (acute renal failure with other specified pathological lesion in kidney), 584.9 (acute renal failure unspecified), 585.1 (chronic kidney disease stage I), 585.2(chronic kidney disease stage II), 585.3 (chronic kidney disease stage III), 585.4 (chronic kidney disease stage IV), 585.5 (chronic kidney disease stage V), 585.6 (end stage renal disease), 585.9 (chronic kidney disease unspecified), or 586 (renal failure unspecified).

36. Each calendar year, CMS adjusts each Medicare Advantage plan enrollee's risk score based on the array of ICD-9-CM diagnoses reported in the MAO's claims during the prior year. If the provider claims for the enrollee during

that year do not contain the same ICD-9-CM diagnosis codes supporting the prior risk score, then CMS will lower the enrollee's applicable risk score for the next year. As stated in the Medicare Managed Care Manual, "Beneficiary risk scores are used to adjust each plan's base payment rate for member health status. The risk score is computed for each beneficiary for a given year and applied prospectively. The risk score follows the beneficiary for one calendar year." *See* MMCM, Ch. 8, § 50.

37. The MAO's reporting of ICD-9-CM diagnoses for plan enrollees determines what HCC codes are assigned by CMS to the Medicare Advantage plan enrollees. CMS is unable to verify the accuracy of ICD-9-CM diagnosis codes when the MAO submits them because the agency is not provided with supporting medical documentation at the time of such submission. Instead, CMS relies upon the MAO to submit accurate and medically supported ICD-9-CM codes diagnoses in the first instance, and also to delete any diagnoses later determined by the MAO to be incorrect because the MAO's reporting of unsupported ICD-9-CM codes for major medical conditions will improperly increase CMS's risk adjustment payments to the MAO.

38. Each year, the MAO must sign an attestation form attesting upon best knowledge, information, and belief that the ICD-9-CM diagnosis codes and other risk adjustment information submitted to CMS were accurate, complete, and truthful. The attestation form also contains an acknowledgment by the MAO that the diagnoses submitted directly affect the calculation of CMS risk adjustment payments to the MAO's Medicare Advantage plans. In addition, CMS provides MAOs with a one-time per calendar year opportunity to reconcile risk adjustment payments. *See* 42 C.F.R. § 422.504(l).

The Kaiser Medicare Advantage Plans

39. Kaiser is the largest managed care organization in the United States with 9.6 million members in nine states and the District of Columbia, although

approximately 7.5 million (78%) of its enrollees are in California, the state where Kaiser originated and is currently headquartered. Kaiser is the organizational hub of a unique single and integrated health care delivery system that delivers covered services to plan members, including Medicare beneficiaries, through the Kaiser Hospitals and Kaiser Medical Groups. The Kaiser organization operates approximately 38 hospitals, over 600 multi-specialty medical offices with diagnostic imaging, laboratory, and pharmacy services, and provides professional medical services through more than 15,000 Kaiser physicians. In 2014, Kaiser reported net income of $3.1 billion on $56.4 billion in operating revenue.

40. Since at least 2005, Kaiser and the Kaiser Plans have been MAOs pursuant to contracts with CMS under Medicare Part C and have offered multiple Medicare Advantage managed care plans to Medicare beneficiaries, including individual or general enrollment plans and employer group waiver plans. Under these MAO contracts, Kaiser is paid a monthly fixed or "capitated" fee by the Medicare program to care for each Medicare beneficiary enrolled in one of its Medicare Advantage plans. Approximately thirty percent (30%) of Kaiser's annual operating revenue comes from the Medicare Advantage program.

41. At all relevant times, as MAOs, Kaiser and the Kaiser Plans have delivered covered health care services to HMO members and Medicare Advantage enrollees through a unique Kaiser health care delivery system under which such services are delivered by the Kaiser Medical Groups and Kaiser Foundation Hospitals and clinics as part of a single and integrated enterprise. Kaiser acts as the organizational hub of this health care delivery system and implements system-wide policies and procedures governing services provided to Medicare Advantage enrollees, including with respect to medical record documentation, diagnosis coding, and CMS's risk adjustment process. Kaiser Foundation Hospitals, a wholly owned subsidiary of Kaiser, owns and operates all of Kaiser's hospitals and other healthcare facilities. Kaiser and the Kaiser Plans have exclusive contracts with the

Kaiser Medical Groups to provide physicians to staff Kaiser hospitals and facilities and to provide professional medical services to Medicare Advantage plan enrollees, typically in exchange for capitation payments (a fixed amount per enrollee assigned to the medical group) and a share in Kaiser's annual profits.

Kaiser's Medicare Advantage Fraud

42. Between January 1, 2008 and December 31, 2013, and continuing through the present, the Kaiser Defendants devised and implemented an elaborate scheme to defraud the Medicare program by reporting false ICD-9-CM diagnoses to CMS for Medicare Advantage plan enrollees in order to inflate the number of HCCs for such enrollees and thereby fraudulently increase CMS's risk adjustment payments to Kaiser and the Kaiser Plans for such enrollees. This scheme damaged, and continues to damage, the United States by causing CMS to pay more in risk adjustment payments to Kaiser than the amounts to which Kaiser is entitled.

43. As part of their scheme to report false ICD-9-CM diagnoses to CMS, the Kaiser Defendants used KP HealthConnect, a health information and billing system that integrates each Medicare Advantage enrollee's electronic health record ("EHR") with Kaiser's electronic claims processing and billing functions across all Kaiser hospitals and other facilities, to manipulate Kaiser physicians into documenting more severe medical conditions for Medicare Advantage enrollees that could then be reported by Kaiser to CMS for the purpose of calculating each enrollee's risk score. Specifically, Kaiser Defendants mandated that plan physicians document the Medicare beneficiaries' diagnoses in their EHR using a proprietary and home-grown set of 28,000 diagnosis terms (double the number of ICD-9-CM codes) known as Convergent Medical Terminology ("CMT"), and, more colloquially, as Kaiser's " secret sauce." By divorcing CMT diagnostic terms from ICD-9-CM diagnoses, Kaiser, rather than the physicians, controlled which ICD-9-CM diagnoses were ultimately reported to CMS for Medicare beneficiaries as the supposed equivalent of the CMT diagnostic terms actually selected by the

treating physicians.

44. In furtherance of its fraud scheme, the Kaiser Defendants also improperly induced Kaiser physicians to select those CMT diagnosis terms that Kaiser had "mapped" or cross-referenced to more severe ICD-9-CM codes than those actually supported by the Medicare enrollee's medical condition through a variety of means. First, when a Kaiser physician selected a CMT diagnostic term for a Medicare enrollee, a KP HealthConnect "workflow tool" prompted and steered the physician to a more specific set of CMT diagnostic terms from which the physician was required to select additional diagnostic terms, many of which had been mapped by Kaiser to more severe ICD-9-CM codes that will support assignment of an HCC by CMS. Through this EHR software program, the Kaiser Defendants manipulated and directed the Kaiser physician's diagnostic decisions, thereby improperly increasing the probability that the physician would select a CMT diagnostic term that Kaiser could "translate" into an ICD-9-CM diagnosis that would then be falsely reported to CMS as an HCC severe medical condition.

45. In addition, the Kaiser Defendants' coding departments employed teams of documentation specialists who used KP HealthConnect to retroactively "data mine" the Medicare enrollees' electronic health records, including diagnostic test results, going as far back as fifteen years for clinical signs and symptoms to support additional HCCs in the current year. Known as Clinical Documentation Specialists ("CDS"), these Kaiser reviewers (many of whom had foreign medical licenses) were expressly tasked by Kaiser with performing reviews of the Medicare enrollees' electronic records to "accurately identify [the] presence of medical conditions not diagnosed or captured in electronic health record" and any "coding opportunity by using the predefined Risk Adjustment data mining parameters." These Kaiser reviewers improperly identified HCC diagnoses that were not made by the treating physician at the time of the required face-to-face encounter with the Medicare enrollee.

46. Further, the Kaiser Defendants directed their data mining teams to identify such HCCs using "clinical" algorithms or decision trees that were not based on generally accepted standards of medical or coding practice. Instead, the risk adjustment algorithm for each HCC diagnosis directed that the diagnosis be made based on signs and symptoms and diagnostic testing results in the enrollee's electronic chart that could support a multitude of other diagnoses; testing standards that were more liberal than the generally accepted diagnostic standard; and historical diagnoses or signs that did not show that the condition was still present years later. Examples of these bogus HCC algorithms (examples of which are attached as Exhibit 1) used to identify diagnoses not made by the treating physician in the current year included the following:

a. In the case of angina pectoris (stable angina) and old myocardial infarction (MI) (HCC 83), a physician query was sent if the Medicare enrollee's electronic chart showed a diagnosis of coronary artery disease ("CAD") and an old MI "look[ing] back as far as possible," even though accepted diagnosis guidelines require current chest pain on exertion or emotional stress and current CAD confirmed through lab tests, ECG, chest x-ray, and/or stress ECG.

b. In the case of bronchiectasis (HCC 112), a physician query was sent if the Medicare enrollee's electronic chart showed an x-ray finding of bronchiectasis in the current year even though Medicare coding guidelines explicitly prohibit HCC coding based on radiology reports because such reports do not reflect a diagnosis by the treating physician after a face-to-face encounter with the enrollee.

c. In the case of cachexia (wasting syndrome) (HCC 21), a physician query was sent if the Medicare enrollee's electronic chart showed a weight loss of greater than 5% in the past year and, in the past three years, a Body Mass Index ("BMI") of between 18.5 and 20 and a diagnosis of HIV/Aids, cancer, chronic obstructive pulmonary disease ("COPD"), rheumatoid arthritis, heart

failure, end stage liver disease, end stage renal disease, chronic kidney disease, tuberculosis or Alzheimers/dementia even though a BMI of 18.5 to 20 is a healthy weight and a diagnosis of cachexia requires a current (not past) chronic illness, as well as a number of other symptoms – such as reduced muscle strength, fatigue, anorexia, low fat-free mass index, and abnormal biochemistry (e.g., inflammation, anemia, low albumin) – in order to distinguish wasting syndrome from other weight loss caused by starvation, age-related loss of muscle mass, primary depression, malnutrition, malabsorption and hyperthyroidism.

d. In the case of chronic hepatitis (HCC 27 or 29), a physician query was sent even if the Medicare enrollee's electronic chart showed no hepatitis diagnosis or treatment, but included a positive or reactive quantitative or qualitative hepatitis test anytime or "any" positive or reactive hepatitis genotype test "looking back as far as possible," even if the patient had not undergone any monitoring or treatment for "active" hepatitis after such positive/reactive test, and even though a positive result by itself is typically insufficient to diagnose chronic hepatitis because tests detect antibodies from old hepatitis cases that no longer cause any actual liver inflammation.

e. In the case of chronic kidney disease ("CKD"), Stages 3, 4 and 5 (HCCs 131 or 138, 134-137), a physician query was sent if the Medicare enrollee's electronic chart included an abnormal glomerular filtration rate ("GFR") for two consecutive tests separated by three months at any time in the last three years, even though abnormal GFR results, without kidney damage, may be caused by conditions other than CKD (e.g., vegetarian diets, unilateral nephrectomy, extracellular fluid volume depletion, and systemic illnesses associated with reduced kidney perfusion, such as heart failure and cirrhosis), and kidney function (and GFR) can fluctuate, be temporarily impaired, and improve substantially over a period of three years.

f. In the case of diabetes with chronic kidney failure (HCC 18 or

15, 16, 18), a physician query was sent if the Medicare enrollee's electronic chart showed a diagnosis of type 2 diabetes in the past three years along with two positive proteinuria or microalbuminuria lab tests at any time during the past three years even though the patient's kidney function could have improved during this period.

g. In the case of dyslipidemia, mixed hyperlipidemia and hyperlipidemia (HCC 16 or 18), a physician query was sent if the Medicare enrollee's electronic chart included laboratory test results showing abnormal levels of low density lipoprotein ("LDL") or high-density lipoprotein ("HDL") cholesterol at any time in the past even though such values often fluctuate dramatically day-to-day, month-to-month and year-to-year depending on the patient's diet and lifestyle and do not necessarily indicate any cholesterol disorder.

h. In the case of major depression (HCC 55 or 58), a physician query was sent if the Medicare enrollee's electronic chart showed a diagnosis of depression within the past three years and the use of an anti-depressant within the past 12 months, even if the patient was not taking the medication currently and any depression had been resolved and was not being actively treated.

i. In the case of major obesity (HCC 22), a physician query was sent if the Medicare enrollee's electronic chart included a BMI between 35.0 and 39.9 at the most recent visit in the last three years and a diagnosis in the last three years of diabetes, CAD, sleep apnea, hypertension, hyperlipidemia, or osteoarthritis, even though HCC 22 required a current BMI of greater than 40 and a person may have lost significant weight loss in the last three years.

j. In the case of respiratory failure (HCC 79 or 84), a physician query was sent if the Medicare enrollee's electronic chart documented that the patient was on oxygen for two consecutive months as far back as three years even though such oxygen may have been used to treat other respiratory conditions such as pneumonia, acute bronchitis, and COPD, and despite the fact that a diagnosis of

respiratory failure is generally only made when arterial blood gas tests show that the arterial Pa O2 has fallen below 60 mm Hg (hypoxemia) and/or the arterial Pa CO2 has risen above 50 mm Hg (hypercapnia).

47. Since HCC diagnoses for Medicare enrollees made by persons other than the treating physician are not reportable to CMS, the Kaiser Defendants directed their CDSs to send leading and coercive "physician queries" to improperly induce the treating physician to change the electronic record of the Medicare enrollee's most recent face-to face encounter by adding or substituting the HCC diagnosis identified by the CDSs as a current medical condition that is being actively treated by the physician. If a Kaiser physician failed to respond or did not agree with the query's suggestion of an HCC diagnosis, the Kaiser data mining team identified the query in the KP HealthConnect system as a "stop prompt," conducted a second review of the Medicare enrollee's electronic record to find additional support for the query's suggested HCC diagnosis, and then sent a repeat query to the Kaiser physician. If the Kaiser physician again refused to follow the query's suggested HCC diagnosis, the query was then usually escalated to the Kaiser medical director overseeing that particular Kaiser physician for further review.

76. In order to satisfy CMS's requirement that HCCs be based on a face-to-face physician encounter, the Kaiser Defendants also encouraged Medicare enrollees to visit a physician for an "annual check-up" before the end of each fiscal year so that more HCCs can be added to the enrollee's record for that year. If Medicare enrollees declined to come to a Kaiser facility, the Kaiser Defendants offered to send a physician to the enrollee's home to conduct this check-up. The primary purpose of these annual "check-ups" for Medicare enrollees was to provide an unnecessary patient encounter during the data collection period that would permit the Kaiser Defendants to add HCC conditions to the enrollees' records so that Kaiser could report them to CMS and increase its risk adjustment payments.

77. As further inducement for Kaiser physicians to document CMT diagnostic terms mapping to HCCs, the Kaiser Medical Groups also paid bonuses to Kaiser physicians based, in part, on the quantity of HCC-qualifying diagnoses that they ended up documenting for Medicare enrollees regardless of whether such diagnoses were in fact supported by the enrollees' medical conditions.

78. In furtherance of their Medicare Advantage diagnosis upcoding scheme, the Kaiser Defendants also implemented certain policies in California to ensure that Medicare Advantage enrollees would be primarily treated by Kaiser physicians so that their diagnoses could be manipulated and upcoded as described above, including the following:

a. Although Kaiser is required to cover emergency services provided to Medicare Advantage enrollees by non-Kaiser hospitals, the plan entered into contracts with ambulance providers (including the Los Angeles Fire Department ("LAFD")) under which Kaiser paid such providers to by-pass the nearest hospital emergency room and transport Medicare Advantage enrollees to a Kaiser hospital. Since 1998, Kaiser had contracts with LAFD under which the plan paid LAFD a fee ranging from $100 to $135 for each Kaiser patient transported by ambulance more than three miles to a Kaiser hospital, rather than to the nearest emergency room. Between 1998 and 2012, Kaiser has paid LAFD $5.2 million dollars for transporting over 40,000 Kaiser patients past the nearest emergency room to a Kaiser hospital; and

b. In addition, if a Medicare Advantage enrollee sought treatment for an emergency medical condition at a non-Kaiser hospital in California, Kaiser would improperly pressure the hospital to transfer the enrollee to Kaiser hospital even when the non-Kaiser treating physician had determined that the enrollee was not stable for transfer and could be medically harmed by the transfer.

Kaiser's Medicare Advantage Enrollees' Astonishingly High Rates of Severe Medical Conditions Supporting HCCs

79. While Kaiser and the Kaiser Plans are HMOs tasked with the ostensible goal of keeping its Medicare enrollees healthy, the Kaiser Defendants' scheme to fraudulently obtain Medicare risk adjustment payments resulted in astonishingly high rates of HCC diagnoses being reported by the plans for their Medicare enrollees to CMS and a dramatic increase in the incidence of such HCC conditions compared to traditional Medicare patients after CMS fully implemented its CMS-HCC model in 2007. Kaiser's medically unexplainable rates of serious medical conditions – especially those resulting in high-value HCCs – for its Medicare enrollee population in California included the following:

k. Between 2008 and 2013, Kaiser Medicare enrollees were diagnosed with proliferative diabetic retinopathy and vitreous hemorrhage (HCC 119 or 122) at an average rate that was 3,427% that of traditional Medicare.

l. Between 2008 and 2013, Kaiser Medicare enrollees were diagnosed with diabetes with chronic complications (HCC 15, 16 and 18) at an average rate that was 497% that of traditional Medicare. This Kaiser statistic is particularly unexplainable because if the HMO was appropriately managing patients with diabetes mellitus, those patients are less likely to develop complications, let alone chronic ones. In addition, Kaiser has reported far fewer Medicare enrollees with diabetes without complication (under the less financially lucrative HCC 19) compared to traditional Medicare (44% less), confirming that the plan has been upcoding its Medicare diabetes patients to higher HCCs.

m. Between 2008 and 2013, Kaiser Medicare enrollees were diagnosed with angina pectoris (HCC 83 or 88) at an average rate that was 324% that of traditional Medicare, with a dramatic 637% increase in 2012, the year that CMS increased the weight of this HCC from 0.290 to 0.366.

n. Between 2008 and 2013, Kaiser Medicare enrollees were

diagnosed with vascular disease (HCC 105 or 108) at a steadily increasing rate that was on average 315% that of traditional Medicare.

o. Between 2008 and 2013, Kaiser Medicare enrollees were diagnosed with major depressive, bipolar, and paranoid disorders (HCC 55 or 58) at an ever-increasing rate that was on average 188% that of traditional Medicare.

p. Between 2008 and 2013, Kaiser Medicare enrollees were diagnosed with malnutrition (HCC 21) at rate that was on average 182% that of traditional Medicare.

q. Between 2008 and 2013, Kaiser Medicare enrollees were diagnosed with septicemia (HCC 2) at an average rate that was 113% that of traditional Medicare. *See* Analysis of Kaiser & Traditional Medicare HCCs (2008 - 2013) After Applying National Factor, attached as Exhibit 3; Analysis of Kaiser & Traditional Medicare HCCs (2008 - 2013) Minus Associated Disease Groups, attached as Exhibit 4.

80. The Kaiser Defendants' fraud scheme is also reflected in Kaiser's under-reporting of HCCs (as would be expected for HMO patients) for serious medical conditions which are difficult to fabricate because they have definitive physical signs and symptoms that are generally not subject to physician interpretation or debate. By way of examples, between 2008 and 2013, when compared to traditional Medicare patients, Kaiser Medicare enrollees in California were less frequently diagnosed with schizophrenia (HCC 54 or 57, at 85% less); cystic fibrosis (HCC 107 or 110, at 71% less); severe head injury (HCC 154 or 156, at 61% less); extensive third-degree burns (HCC 150 or 162, at 60% less); respiratory dependence/tracheostomy status (HCC 77 or 82, at 42% less); quadriplegia (HCC 67 or 70, at 43% less); diabetes without complication (HCC 19, at 44% less); cerebral palsy and other paralytic syndromes (HCC 101 or 74, at 45% less); HIV/AIDS (HCC 1, at 47% less); artificial openings for feeding or elimination (HCC 176 or 188, at 37% less); seizure disorders and convulsions

(HCC 74 or 79, at 31% less); and coma, brain compression/anoxic damage (HCC 75 or 80, at 25% less).

81. Kaiser's fraudulent gaming of the HCC system is also reflected by the massive and medically unexplainable increase in severe medical conditions reported for Kaiser Medicare enrollees after CMS implemented the HCC model. For example, between 2008 and 2013, the number of Kaiser enrollees diagnosed with vascular disease increased by a jaw-dropping 218%. Likewise, during the same period, Kaiser reported a 216% increase in enrollees with protein–calorie malnutrition, a 132% increase in enrollees with septicemia and sepsis, a 122% increase in enrollees with coma and brain compression, and a 115% increase in enrollees with immunity disorders. In addition, Medicare beneficiaries with diabetes who enrolled with Kaiser developed complications, including rare complications like diabetic retinopathy and vitreous hemorrhage (bleeding in eye), at a rate five times higher than if they had stayed in traditional Medicare. These enormous spikes in diagnosis rates for severe medical conditions paints an entirely implausible picture of Kaiser enrollees getting sicker and sicker even though the HMO's whole model is designed to reduce health care costs by actively managing the Medicare enrollees so that their health improves, rather than getting worse at rates more associated with an epidemic.

82. By fraudulently increasing the HCCs assigned to its Medicare enrollees, the Kaiser Defendants increased patients' risk scores and profiles and thereby caused CMS to make incorrect higher risk adjustment payments to Kaiser for such enrollees. In addition, because the HCCs were not medically supported, the enrollees "recovered" from such HCCs faster than usual, resulting in higher favorable quality of care indices – including decreased mortality and complication rates – that falsely suggested that Kaiser and the Kaiser were successfully treating serious medical conditions more effectively than other Medicare Advantage plans. As an ironic result, Kaiser's fraud scheme significantly contributed to its receipt of

CMS's highest "5 Star" rating for a Medicare Advantage plan, which also caused Kaiser to be paid annual bonuses ($380 million in 2012) that the HMO did not deserve.

83. On or about September 5, 2008, March 6, 2009, September 4, 2009, January 31, 2010, March 5, 2010, September 3, 2010, January 31, 2011, March 4, 2011, September 2, 2011, January 31, 2012, March 2, 2012, September 7, 2012, January 31, 2013, March 1, 2013, September 6, 2013, January 31, 2014, and March 7, 2014, the Kaiser Defendants submitted, or caused to be submitted, false claims to CMS for risk adjustment payments – consisting of RAPS files submitted to CMS by Kaiser and the Kaiser Plans through the agency's FERAS and RAPS Databases – that contained false ICD-9-CM diagnoses for Kaiser Medicare Advantage enrollees supporting risk adjustment payments by CMS for such enrollees.

84. In 2010, 2011, 2012, and 2013, 2014, and 2015, the Kaiser Defendants submitted, or caused to be submitted, false statements to CMS – consisting of an annual written "Attestation of Risk Adjustment Data Information Relating to CMS Payment to a Medicare Advantage Organization" submitted by Kaiser and the Kaiser Plans to CMS – that falsely certified and attested that the risk adjustment information, including ICD-9-CM diagnoses, submitted by Kaiser for the year covered by the attestation (e.g., the 2015 attestation covered the RAP data for dates of service between January 1, 2013 and December 31, 2013) was accurate, complete, and truthful when, in truth and fact, the Kaiser RAP data for each year contained false ICD-9-CM diagnoses for Medicare Advantage enrollees supporting risk adjustment payments by CMS for such enrollees.

CMS's Risk Adjustment Overpayments to Kaiser

85. Between 2008 and 2013, the Kaiser Defendants systemically assigned more severe ICD-9-CM diagnosis codes to Medicare enrollees than supported by the enrollees' actual medical conditions and reported such false codes in quarterly RAPS files to CMS in order to cause CMS to incorrectly assign HCCs or higher

HCCs to such enrollees. Through this fraud scheme, the Kaiser Defendants caused CMS to make incorrect risk adjustment payments to Kaiser and the Kaiser Plans for such Medicare enrollees totaling more than fourteen billion dollars.

86. Relators calculated the massive loss caused by Kaiser Defendants' fraud scheme based on the variance between Kaiser's reported number of Medicare enrollees with certain HCC medical conditions and the incidence of such conditions for traditional Medicare patients in California hospitals. The specific methodology is described in the Appendix attached as Exhibit 2. By way of examples, Kaiser's false HCC reporting included estimated Medicare overpayments for its inpatient enrollees in California for the following HCCs:

a. Approximately $717,284,358.41 in overpayments for diabetes with chronic complication (HCC 15,16 and 18) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was 497% of that reported by other California hospitals for traditional Medicare patients with the same medical condition;

b. Approximately $286,099,138.28 for renal failure (HCCs 131,135, 136, 137, 138, 139 and 140) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was 136% of that reported by other California hospitals for traditional Medicare patients with the same medical condition;

c. Approximately $241,599,578.86 for vascular disease and complications (HCCs 104 and 105, or 107 and 108) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was 225% of that reported by other California hospitals for traditional Medicare patients with the same medical condition;

d. Approximately $158,184,582.50 for angina pectoris (HCC 83 or 88) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was 324% of that reported by other California hospitals for traditional Medicare patients with the same medical condition;

e. Approximately $173,176,160.18 for polyneuropathy (HCC 71 or 75) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was 274% of that reported by other California hospitals for traditional Medicare patients with the same medical condition;

f. Approximately $149,556,111.63 for protein-calorie malnutrition (HCC 21) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was 182% of that reported by other California hospitals for traditional Medicare patients with the same medical condition;

g. Approximately $131,551,146.90 for congestive heart failure (HCC 80 or 85) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was 122% of that reported by other California hospitals for traditional Medicare patients with the same medical condition.

h. Approximately $151,213,947.82 for major depressive, bipolar, and paranoid disorders (HCC 55 or 58) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was 188% of that reported by other California hospitals for traditional Medicare patients with the same medical condition.

i. Approximately $93,213,680.84 for metastatic cancer and acute leukemia (HCC 7 or 8) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was 128% of that reported by other California hospitals for traditional Medicare patients with the same medical condition;

j. Approximately $88,903,003.18 for septicemia, sepsis, and systemic inflammatory response syndrome/shock (HCC 2) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was 113% of that reported by other California hospitals for traditional Medicare patients with the same medical condition; and

k. Approximately $55,874,976.41 for proliferative diabetic retinopathy and vitreous hemorrhage (HCC 119 or 122) incorrectly assigned by Kaiser to Medicare enrollees at an average rate that was a staggering 3,427% of that

reported by other California hospitals for traditional Medicare patients with the same medical condition.

87. Including these and the other HCCs falsely reported by Kaiser and the Kaiser Plans results in estimated risk adjustment overpayments of $14,455,832,951. CMS's $14 billion overpayment to Kaiser and the Kaiser Plans is a low estimate because of the highly conservative treatment of the HCC variance data by Relators and, additionally, because only data from Kaiser's Medicare enrollees in California was analyzed by Relators. Specifically, between 2008 and 2013, the difference between Kaiser's average per patient payment ($1,157.19) and traditional Medicare's average per patient payment ($698.69) translates into an estimated overpayment of $26,726,510, 919, a substantially higher figure than Relators' more conservative loss calculation based on HCC variances. *See* Summary of Kaiser HCC Overpayments, attached as Exhibit 5.

FIRST CAUSE OF ACTION

FALSE CLAIMS ACT: PRESENTATION OF FALSE CLAIMS

(31 U.S.C. § 3729(A)(1))

(Against All Defendants)

88. Plaintiff United States hereby repleads and incorporates by reference each and every allegation contained in paragraphs 1 through 87, above, as though fully set forth in this paragraph.

89. Between January 1, 2008 and the present, Defendants knowingly presented or caused to be presented false or fraudulent claims for Medicare Advantage risk adjustment payments to the United States.

90. By virtue of the false or fraudulent claims made by Defendants, the United States suffered damages and therefore is entitled to treble damages under the False Claims Act, to be determined at trial, plus a civil penalty for each violation.

SECOND CAUSE OF ACTION

FALSE CLAIMS ACT: MAKING OR USING FALSE RECORD OR STATEMENT

(31 U.S.C. § 3729(A)(2))

(Against All Defendants)

91. Plaintiff United States hereby repleads and incorporates by reference each and every allegation contained in paragraphs 1 through 90, above, as though fully set forth in this paragraph.

92. Between January 1, 2008 and the present, Defendants knowingly made, used or caused to be made or used, false records or statements, including false RAPS files and annual "Attestations of Risk Adjustment Data Information Relating to CMS Payment to a Medicare Advantage Organization," to get the United States to pay false and fraudulent claims for Medicare Advantage risk adjustment payments.

93. By virtue of the false or fraudulent records or statements made by Defendants, the United States suffered damages and therefore is entitled to treble damages under the False Claims Act, to be determined at trial, plus a civil penalty for each violation.

PRAYER FOR RELIEF

WHEREFORE, Relator, on behalf of the United States, demands and prays that judgment be entered in favor of the United States against Defendants, as follows:

a. Defendants pay an amount equal to three times the amount of damages the United States has sustained because of Defendants' actions, plus a civil penalty against Defendants of not less than $5,500 and not more than $11,000 for each violation of 31 U.S.C. § 3729;

b. Relator be awarded the maximum amount allowed pursuant to 31U.S.C. § 3730(d);

c. Defendants cease and desist from violating the False Claims Act, 31 U.S.C. § 3729, *et seq.*;

d. Relator be awarded all costs of this action, including attorneys' fees, expenses, and costs pursuant to 31 U.S.C. § 3730(d); and

e. The United States and Relator be granted all such other relief as the Court deems just and proper.

DATED: September 4, 2015

Respectfully submitted,

MARK S. HARDIMAN
NELSON HARDIMAN LLP.

By: _____
Mark S. Hardiman

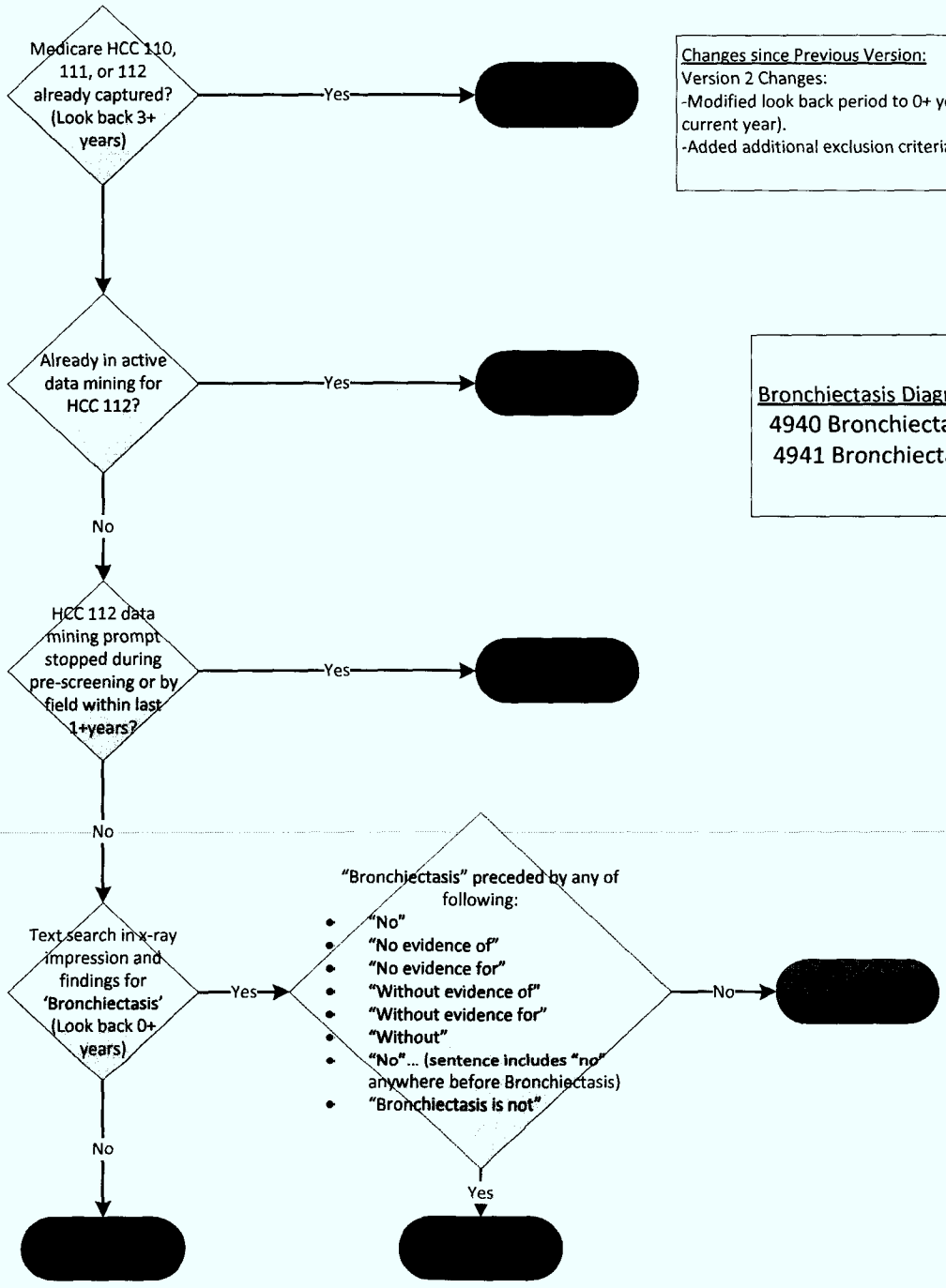
Attorneys for Relators

EXHIBIT 1

☐ Pre-screened
☒ Not pre-screened
☐ Partially pre-screened

BRONCHIECTASIS
FINAL v.2- 10/28/13

☒ CMS HCC 112
☐ HHS
☐ CalPERS



Changes since Previous Version:
Version 2 Changes:
-Modified look back period to 0+ years (January of current year).
-Added additional exclusion criteria (text parsing)

Bronchiectasis Diagnoses (HCC 112):
4940 Bronchiectas w/o ac exac
4941 Bronchiectasis w ac exac

This purpose of this algorithm is to identify patients who may have clinical evidence of chronic Bronchiectasis but do not already have a Cystic Fibrosis, COPD, or "Fibrosis of Lung & Other Chronic Lung Disorders" diagnosis captured. This algorithm is not intended for training to the clinical diagnosis criteria for the condition.

Cachexia- Final v.5 – 12/20/2013

- ☐ Pre-screened
- ☐ Not pre-screened
- ☒ Partially pre-screened

- ☒ CMS HCC 21
- ☒ ACA CC 23 Adult/Child
- ☒ CalPERS ICD9 Code 799.4

Already captured?
CMS: Chronic HCC 21
ACA: Chronic CC 23
CalPERS: ICD9 Code: 799.4
(Look back 3+ years)

No → Cachexia data mining prompt stopped during pre-screening or by field within last 2 rolling years?

No → Already in active data mining for Cachexia?

Yes → [redacted]

Yes → [redacted]

Yes → [redacted]

Changes since Previous Version:
Version 5 Changes:
- Added ACA and CalPERS criteria to algorithm

No → Diagnosed with any of following:
- 650-659.xx: Normal Pregnancy & Other Indications for Care in Pregnancy, Labor, & Delivery
- 660.xx-669.xx: Complications Occurring Mainly in the Course of Labor & Delivery
- 634.xx: Spontaneous Abortion
- V24.x: Postpartum care and examination

(Look back 1+ year)

Yes → [redacted]

No → Age < 20 years?

Yes → Following ICD9 captured? V85.51- BMI, pediatric, less than 5th percentile for age (Look back 1+ years)?

Yes → [redacted]

Group A: Pre-screening

No → [redacted]

No → Height > 4 feet and < 8 feet and weight > 60 lbs? (at most recent visit)

No → [redacted]

Yes → Weight Loss > 5% (most recent weight within 1 years & weight loss within 1 year)

No → [redacted]

Group B: No pre-screening

Yes → BMI <= 18.5? (Look back 3+ years)

Yes → Diagnosed with any of following comorbidities****:
- HIV/Aids (HCC 1)
- Active CA dx (HCC 8-12)

(Look back 3+ years)

Yes → INCLUDE- Group B

No → [redacted]

Group C: To be pre-screened

No → BMI between 18.5 and 20.0? (Look back 3+ years)

Yes → Diagnosed with any of following comorbidities****:
- HIV/Aids (HCC 1)
- Active CA dx (HCC 8-12)

(Look back 3+ years)

No → Diagnosed with any of following comorbidities****:
- COPD (HCC 111)
- Rheumatoid Arthritis (HCC 40)
- Heart Failure (HCC 85)
- End Stage Liver Disease (HCC 27)
- ESRD (HCC 134)
- Chronic Kidney Disease*
- Tuberculosis **
- Alzheimers & Dementia***

(Look back 3+ years)

No → [redacted]

Yes → [redacted]

Group E: To be pre-screened

Yes → INCLUDE- Group D

Group D: No pre-screening

No → Weight Loss > 10% (most recent weight within 6 months & weight loss within 6 months)

No → [redacted]

Yes → BMI <= 25? (Look back 3+ years)

No → [redacted]

This purpose of this algorithm is to identify patients who may have clinical evidence of Cachexia but do not already have a Cachexia diagnosis or Protein Calorie Malnutrition diagnosis (for CMS of ACA) captured. This algorithm is not intended for training to the clinical diagnosis criteria for the condition.

*CKD / Renal Failure ICD9 Codes:
403.01 Mal hyp kid w cr kid V
403.11 Ben hyp kid w cr kid V
403.91 Hyp kid NOS w cr kid V
404.02 Mal hy ht/kd st V w/o hf
404.03 Mal hyp ht/kd stg V w hf
404.12 Ben hy ht/kd st V w/o hf
404.13 Ben hyp ht/kd stg V w hf
404.92 Hy ht/kd NOS st V w/o hf
404.93 Hyp ht/kd NOS st V w hf
584.5 Ac kidny fail, tubr necr
584.6 Ac kidny fail, cort necr
584.7 Ac kidny fail, medu necr
584.8 Acute kidney failure NEC
584.9 Acute kidney failure NOS
585.1 Chro kidney dis stage I
585.2 Chro kidney dis stage II
585.3 Chr kidney dis stage III
585.4 Chr kidney dis stage IV
585.5 Chron kidney dis stage
V585.6 End stage renal disease
585.9 Chronic kidney dis NOS
586 Renal failure NOS
753.14 Polycyst kid-autosom rec

**Tuberculosis ICD9 Codes:
010.0 Primary tuberculous infection
010.1 Tuberculous pleurisy in primary progressive tuberculosis
010.8 Other primary progressive tuberculosis
010.9 Primary tuberculous infection, unspecified
011 Pulmonary tuberculosis
011.0 Tuberculosis of lung, infiltrative
011.1 Tuberculosis of lung, nodular
011.2 Tuberculosis of lung with cavitation
012 Other respiratory tuberculosis
013 Tuberculosis of meninges and central nervous system
014 Tuberculosis of intestines, peritoneum, and mesenteric glands
015 Tuberculosis of bones and joints
016 Tuberculosis of genitourinary system
017 Tuberculosis of other organs
018 Miliary tuberculosis
018.8 Other specified miliary tuberculosis
018.9 Miliary tuberculosis, unspecified

***Dementia ICD9 Codes:

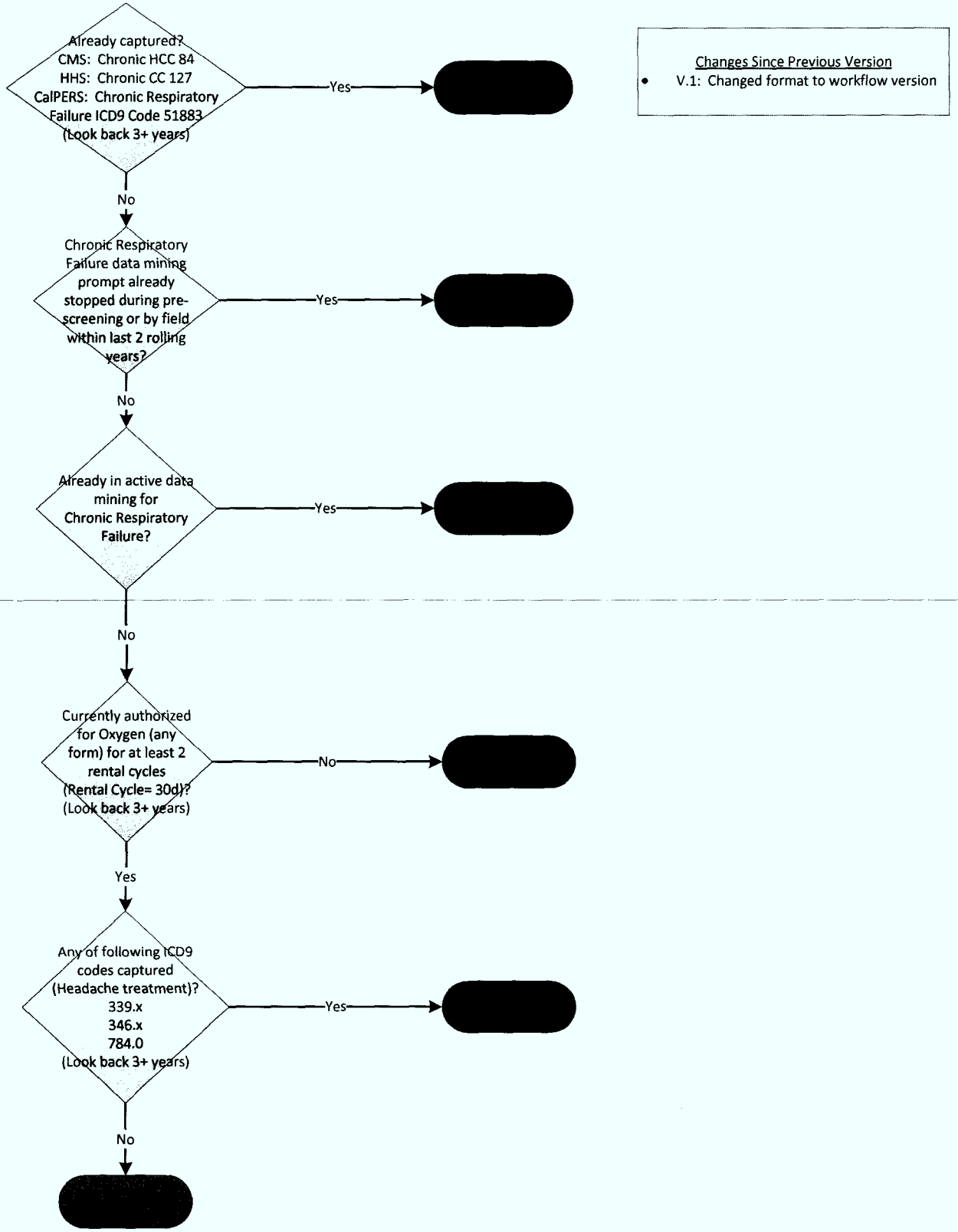
331.0 Alzheimer's disease
331.11 Pick's disease
331.1 Frontotemporal dementia
331.2 Senile degeneration of brain

**** For other co-morbidities identified by HCC, use CMS Model.

☒ Pre-screened
☐ Not pre-screened
☐ Partially pre-screened

CHRONIC RESPIRATORY FAILURE
FINAL v.1- 12/10/2013

☒ CMS	HCC 84
☒ HHS	CC 127 Adult/Child
☒ CalPERS	ICD 518.83



Changes Since Previous Version
- V.1: Changed format to workflow version

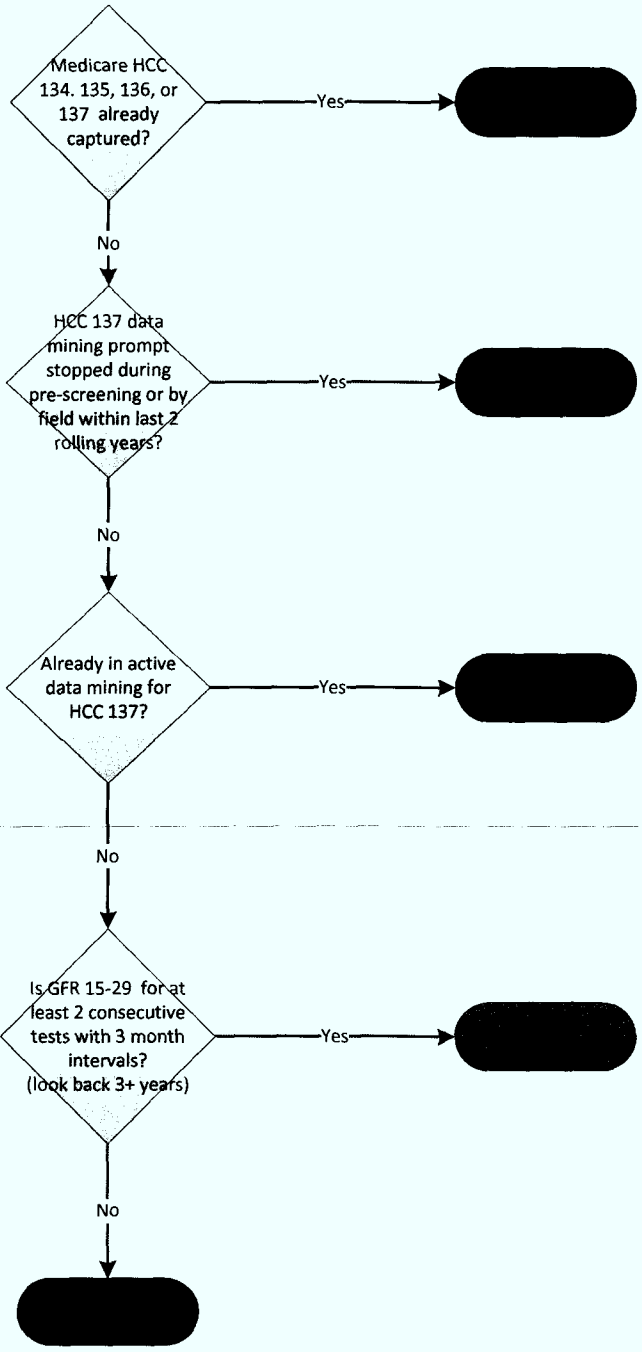
This purpose of this algorithm is to identify patients who may have clinical evidence of Chronic Respiratory Failure but do not already have a Chronic Respiratory diagnosis captured. This algorithm is not intended for training to the clinical diagnosis criteria for the condition.

*Chronic Respiratory ICD Code (CMS HCC 84 / HHS CC 127)
51883 CHR RESPIRATORY FAILURE

☒ Pre-screened
☐ Not pre-screened
☐ Partially pre-screened

CHRONIC KIDNEY DISEASE (CKD), STAGE 4
FINAL v.1 – 1/22/2014

☒ CMS HCC 137
☐ ACA –
☐ CalPERS –



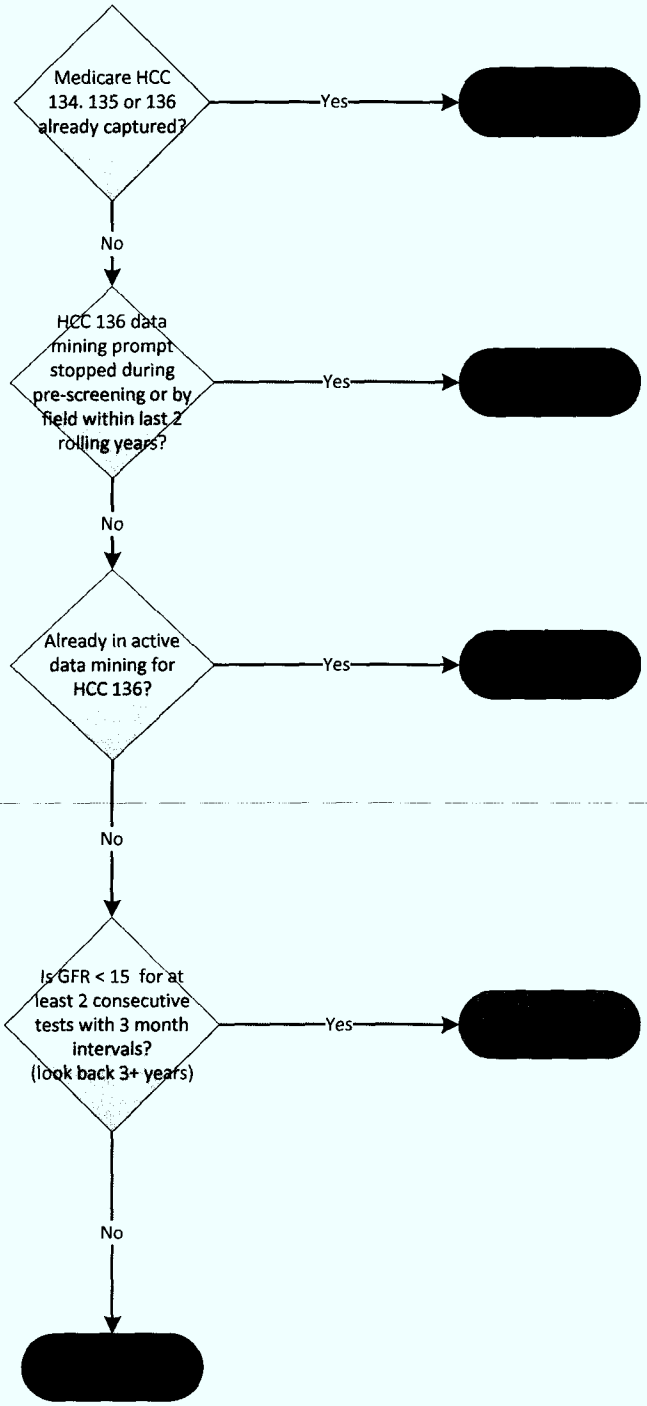
HCCs in Category Name: Kidney
HCC 134: Dialysis Status
HCC 135: Acute Renal Failure
HCC 136: CKD (Stage 5)
HCC 137: CKD, Severe (Stage 4)

This purpose of this algorithm is to identify patients who may have clinical evidence of CKD, Stage 4, but do not already have CKD or a more Severe Kidney diagnosis captured. This algorithm is not intended for training to the clinical diagnosis criteria for the condition.

☒ Pre-screened
☐ Not pre-screened
☐ Partially pre-screened

CHRONIC KIDNEY DISEASE (CKD)- STAGE 5
FINAL v.1 – 1/22/2014

☒ CMS HCC 136
☐ ACA –
☐ CalPERS –

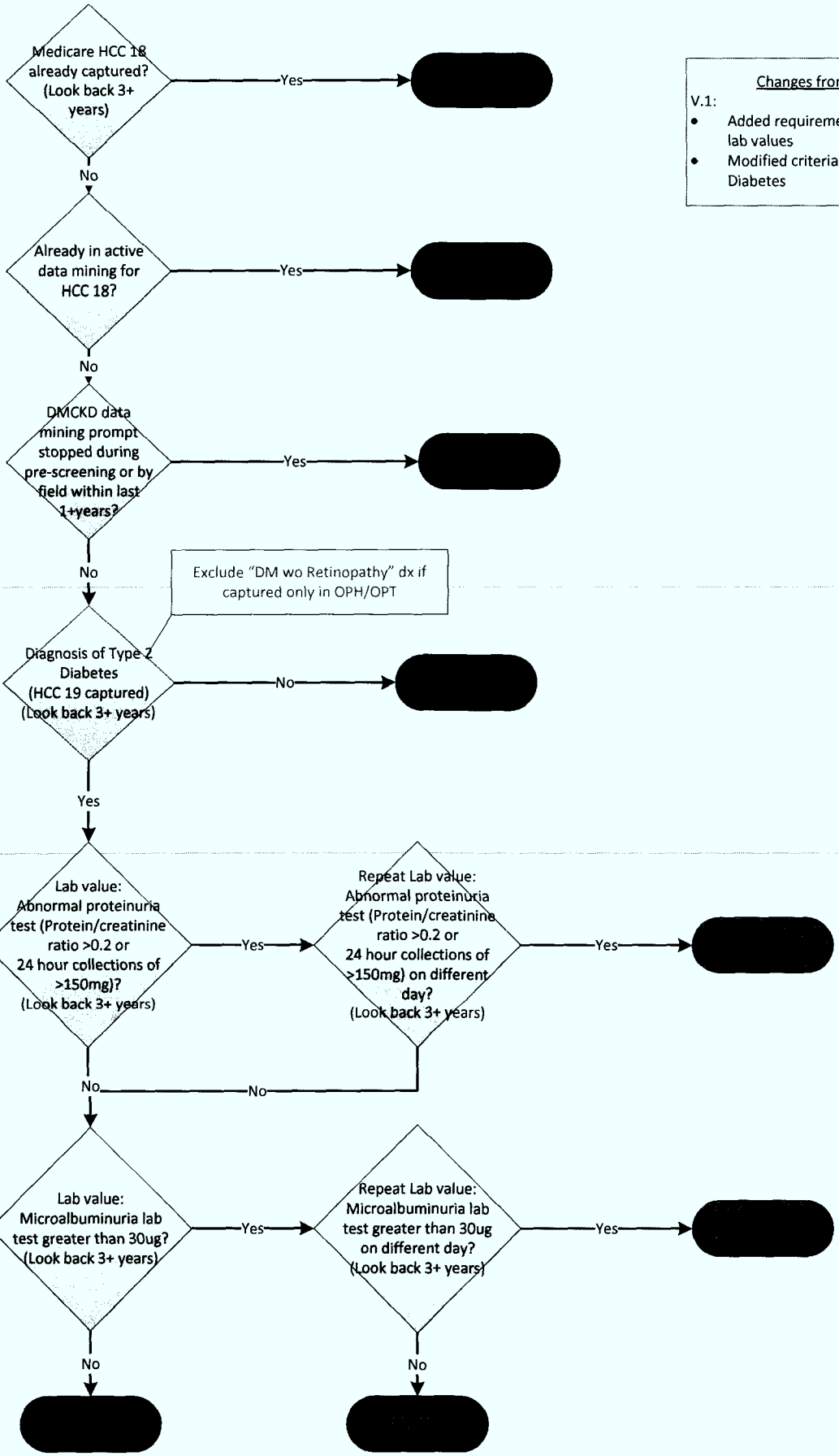


HCCs in Category Name: Kidney
HCC 134: Dialysis Status
HCC 135: Acute Renal Failure
HCC 136: CKD (Stage 5)
HCC 137: CKD, Severe (Stage 4)

This purpose of this algorithm is to identify patients who may have clinical evidence of CKD, Stage 5, but do not already have CKD or a more Severe Kidney diagnosis captured. This algorithm is not intended for training to the clinical diagnosis criteria for the condition.

DM w/ Diabetic CKD- FINAL v.1- 9/18/13

☒	CMS	HCC 18
☐	HHS	–
☐	CalPERS	–



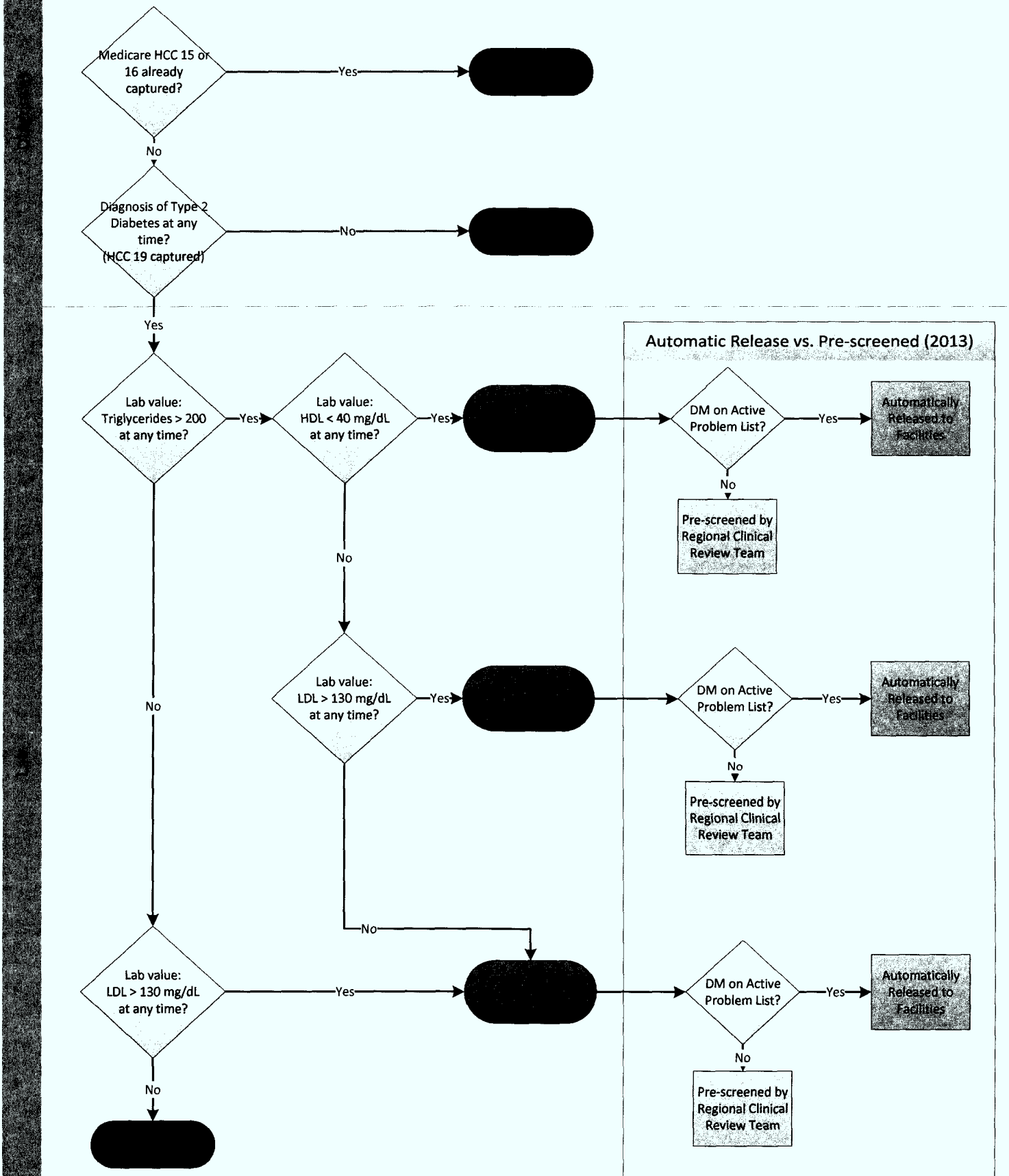
Changes from previous version:

V.1:

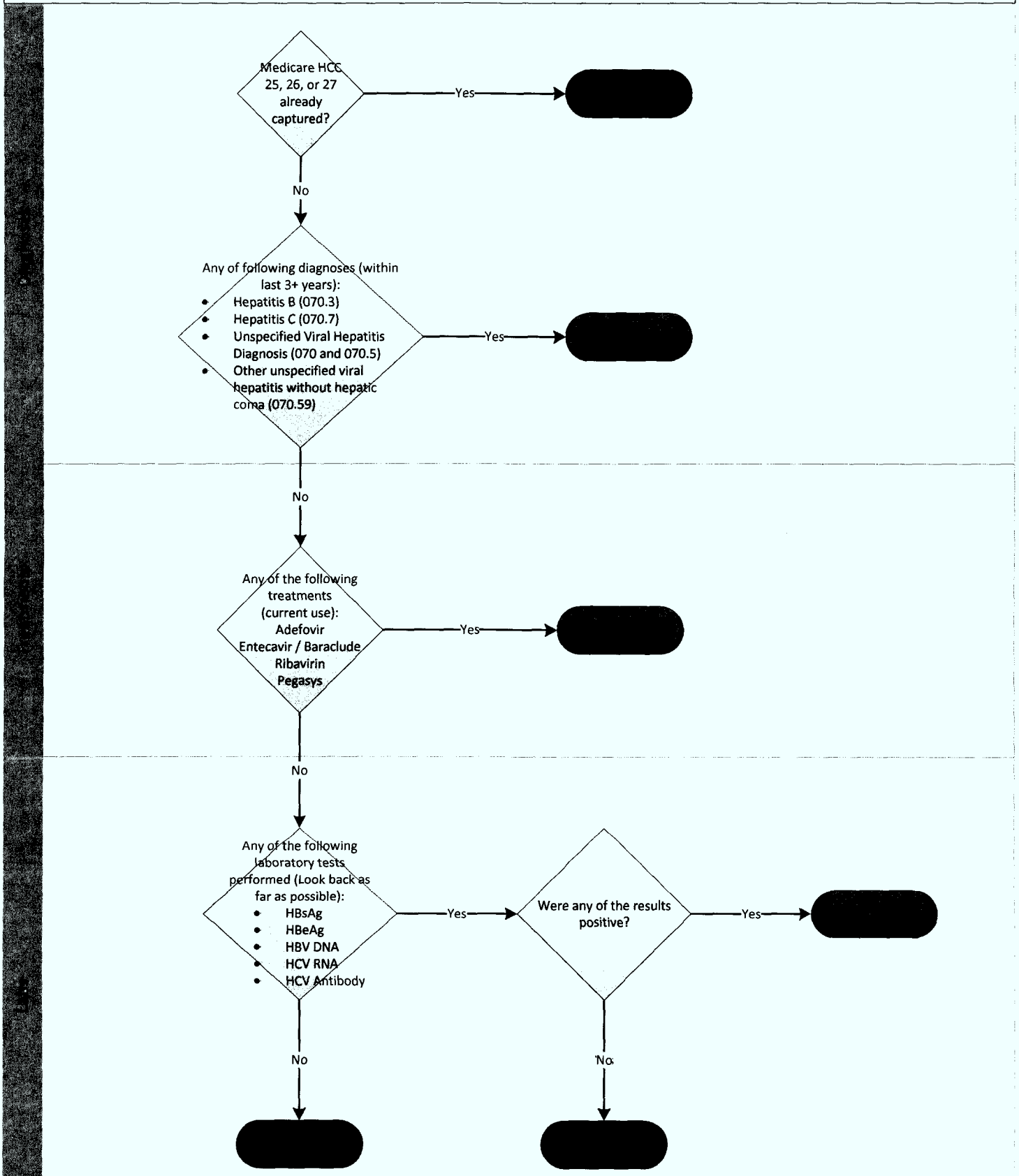
- Added requirement for at least 2 abnormal lab values
- Modified criteria for identifying patients with Diabetes

This purpose of this algorithm is to identify patients who may have clinical evidence of Diabetes w/ Diabetic CKD but do not already have a chronic Diabetes complication already captured. This algorithm is not intended for training to the clinical diagnosis criteria for the condition.

DM 2 w/ Lipids
(Dyslipidemia, Mixed Hyperlipidemia, & Hyperlipidemia)
HCC 16



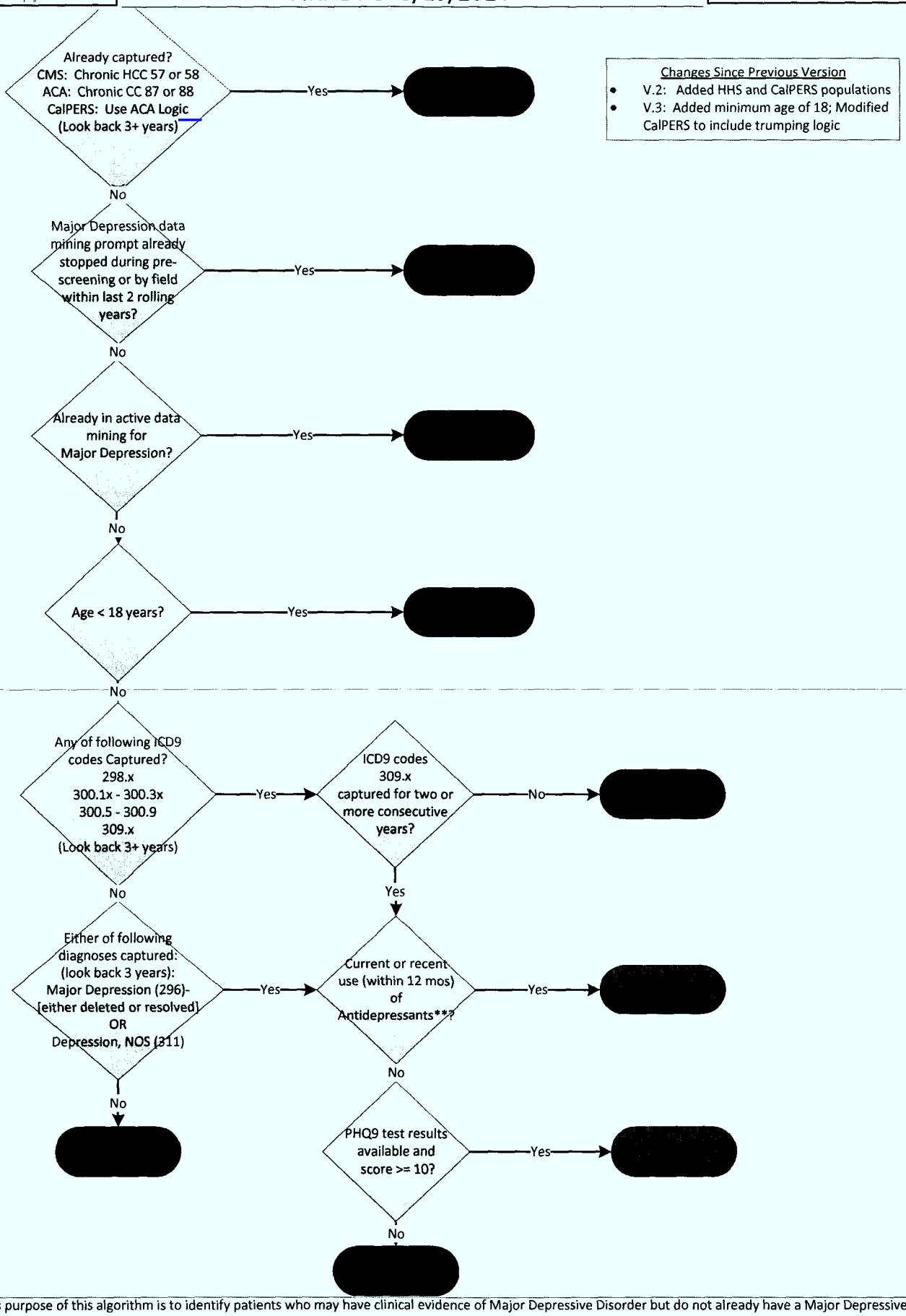
CHRONIC HEPATITIS
HCC 27



MAJOR DEPRESSIVE DISORDER
FINAL v.3- 3/10/2014

☒ Pre-screened
☐ Not pre-screened
☐ Partially pre-screened

☒ CMS HCC 58
☒ ACA CC 88 Adult
☒ CalPERS Use ACA CC 88 Adult



Changes Since Previous Version
- V.2: Added HHS and CalPERS populations
- V.3: Added minimum age of 18; Modified CalPERS to include trumping logic

This purpose of this algorithm is to identify patients who may have clinical evidence of Major Depressive Disorder but do not already have a Major Depressive Disorder diagnosis captured. This algorithm is not intended for training to the clinical diagnosis criteria for the condition.

*Major Depressive Disorder ICD Codes (CMS HCC 58 / HHS CC 88)

29620 MDD ONE EPIS-NOS
29621 MDD ONE EPIS-MILD
29622 MDD ONE EPIS-MODERATE
29623 MDD ONE EPIS-SEVERE
29624 MDD ONE EPIS-SEV W PSYCH
29625 MDD ONE EPIS-PART REMISS
29626 MDD ONE EPIS-FULL REMISS
29630 RECURRENT MDD-UNSPEC
29631 RECURRENT MDD-MILD
29632 RECURRENT MDD-MOD
29633 RECURRENT MDD-SEVERE
29634 RECURRENT MDD-SEV PSYCH
29635 RECUR MDD-PART REMISS
29636 RECUR MDD-FULL REMISS

**Antidepressant Meds List:

AMOXAPINE
ANAFRANIL
ASENDIN
BENACTYZINE HYDROCHLORIDE
BENACTYZINE/MEPROBAMATE
BUPROPION HCL
BUPROPION HYDROCHLORIDE
CITALOPRAM HYDROBROMIDE
CLOMIPRAMINE HCL
CLOMIPRAMINE HYDROCHLORIDE
DESVENLAFAXINE
DULOXETINE HCL
EFFEXOR
ESCITALOPRAM OXALATE
FLUOXETINE HCL
FLUOXETINE HYDROCHLORIDE
FLUVOXAMINE
FLUVOXAMINE MALEATE
ISOCARBOXAZID
LUDIOMIL
MAPROTILINE
MIRTAZAPINE
NEFAZODONE
NEFAZODONE HCL
OLANZAPINE/FLUOXETINE
PARGYLINE HCL
PARGYLINE HYDROCHLORIDE
PARNATE
PAROXETINE HCL
PAROXETINE MESYLATE
PHENELZINE SULFATE
PROZAC
SERTRALINE HCL
SERTRALINE HYDROCHLORIDE
TRANYLCYPROMINE SULFATE
VENLAFAXINE HCL
ZOLOFT
ARIPIPRAZOLE
ABILIFY
SELEGILINE
EMSAM
AMITRIPTYLINE
ELAVIL
DESIPRAMINE
NORPRAMIN
DOXEPIN
SINEQUAN
IMIPRAMINE
TOFRANIL
NORTRIPTYLINE
PAMELOR
PROTRIPTYLINE
VIVACTIL
SURMONTIL
TRIMIPRAMINE

Severe Obesity- FINAL v.2 4/22/2013
(HCC 22)

Revision Changes:
4/22/13 (v.2)- Added co-morbidity: Osteoarthritis

HCC 22 Includes:
27801:Morbid obesity
27803:Obesity hypovent synd
V8541:BMI 40.0-44.9, adult
V8542:BMI 45.0-49.9, adult
V8543:BMI 50.0-59.9, adult
V8544:BMI 60.0-69.9, adult
V8545:BMI 70 and over, adult

ICD9 Codes for co-morbidities:
- Diabetes: 250.x
- CAD: 414.0x
- Sleep apnea: 327.20, 327.21, 327.23, , 327.29, 780.57
- Hypertension: 401.x
- Hyperlipidemia: 272.0, 272.1, 272.2, 272.4, 272.9
- Osteoarthritis: 715.00, 715.90, 715.95, 715.96, 715.97, 715.98

Documentation

Medicare HCC 22 already captured? (Look back 3+ years)
- Yes → [redacted]
- No → HCC 22 data mining prompt stopped during pre-screening or by field within last 2 rolling years?
  - Yes → [redacted]
  - No → Already in active data mining for HCC 22?
    - Yes → [redacted]
    - No → **Clinical**

Clinical

Height > 4 feet and < 8 feet and weight > 60 lbs? (at most recent visit) (Look back 3+ years)
- No → [redacted]
- Yes → BMI >= 40? (at most recent, visit) (Look back 3+ years)
  - Yes → INCLUDE- No Pre-Screening → No pre-screening
  - No → BMI between 35.0 and 39.9? (at most recent visit) (Look back 3+ years)
    - No → Any of following ICD codes captured: V85.35, V85.36, V85.37, V85.38, V85.39 (at most recent visit) (Look back 3+ years)?
      - No → [redacted]
      - Yes → Diagnosed with one or more of following? (Look back 3+ years):
        - Diabetes
        - CAD
        - Yes → INCLUDE- No Pre-Screening → No pre-screening
        - No → Diagnosed with one or more of following? (Look back 3+ years):
          - Sleep apnea
          - Hypertension
          - Hyperlipidemia
          - Osteoarthritis
          - No → [redacted]
          - Yes → [redacted] → To be pre-screened
    - Yes → Diagnosed with one or more of following? (Look back 3+ years):
      - Diabetes
      - CAD
      - Yes → INCLUDE- No Pre-Screening → No pre-screening
      - No → Diagnosed with one or more of following? (Look back 3+ years):
        - Sleep apnea
        - Hypertension
        - Hyperlipidemia
        - Osteoarthritis
        - No → [redacted]
        - Yes → [redacted] → To be pre-screened

STABLE ANGINA FINAL v.1 – 6/12/2013
CMS HCC 88 (Formerly 83)

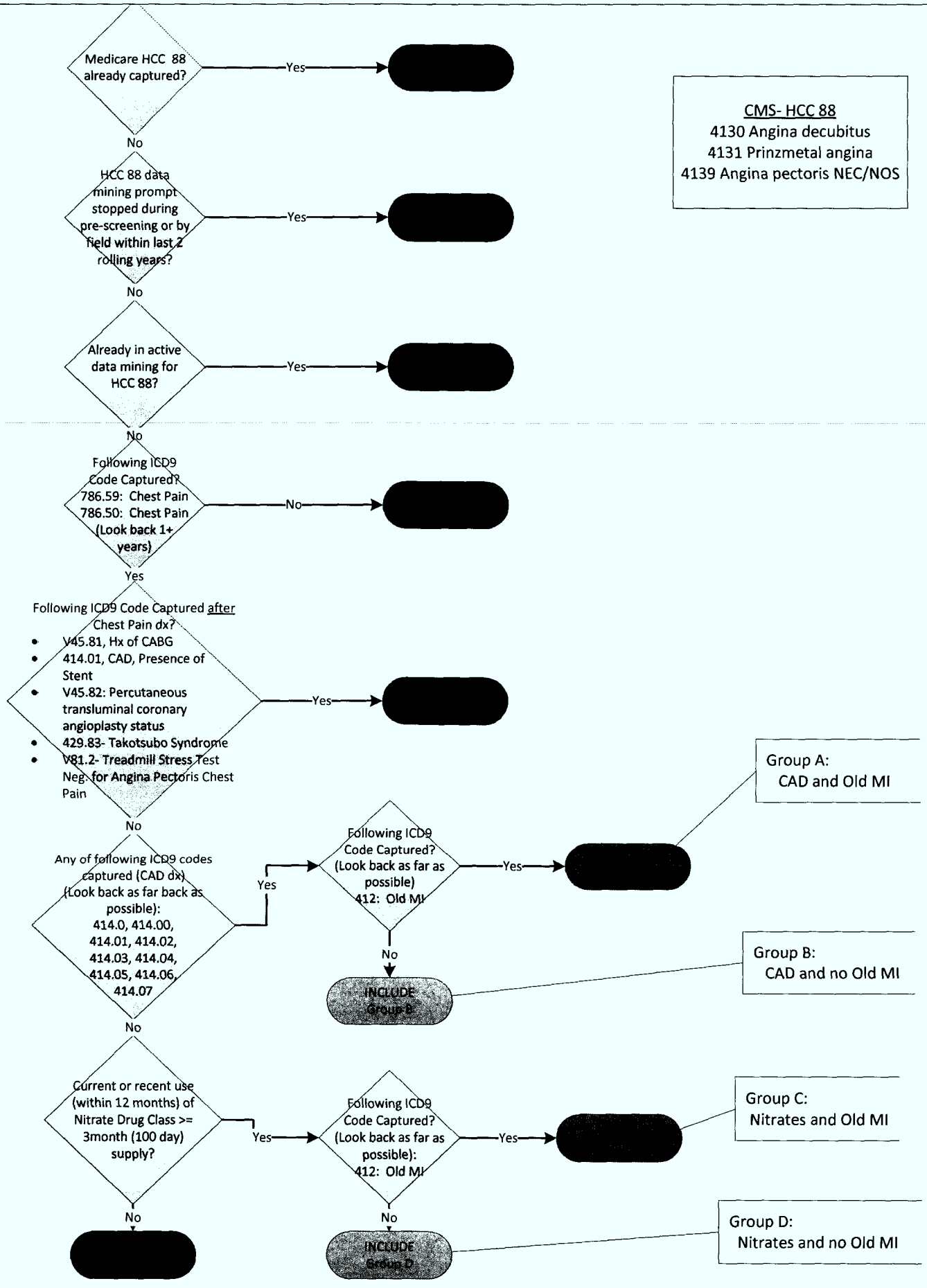


EXHIBIT 2

APPENDIX A

RELATORS' STATISTICAL ANALYSIS OF KAISER HCC DIAGNOSIS RATES AND CALCULATION OF KAISER RISK ADJUSTMENT OVERPAYMENTS

Relators PRIME HEALTHCARE SERVICES, INC. and AJITH KUMAR used the following statistical analysis methodology to identify KAISER's rates of reported ICD-9-CM diagnoses for Medicare enrollees that qualified as HCCs and to calculate the estimated amount of risk adjustment overpayments received by KAISER based on its submission of false HCC claims to CMS.

A. HCC Coding Frequencies and Inpatient Discharge Claims

After downloading CMS's HCC categories and the corresponding ICD-9-CM diagnosis codes from the CMS website, Relators obtained inpatient discharge data for all California hospitals for the years 2009-2012 from the Office of Statewide Health Planning and Development ("OSHPD") using speedtrack.com that showed the ICD-9-CM diagnosis codes for all the hospital patients. Relators then removed non-Medicare patients and ICD-9-CM codes that were not in an HCC category from this OSHPD data set and used pivot tables to organize the remaining ICD-9-CM codes reported for Medicare patients by their respective HCC categories. The relators then filtered this ICD-9-CM/HCC data for Medicare patients by hospital type (based on their National Provider Identifiers) and arranged the ICD-9-CM diagnosis codes into the following four classifications of hospital care for Medicare patients: (1) KAISER Hospitals – Medicare Advantage (managed care); (2) KAISER Hospitals – Traditional Medicare (fee for service); (3) Non-KAISER Hospitals – Medicare Advantage; and (4) Non-KAISER Hospitals – Traditional Medicare.

Relators placed this information onto a Microsoft Excel worksheet, along with the HCC Category, HCC Description, HCC Weight, and Total Claims. The ICD-9-CM diagnosis codes for each HCC Category were then organized into these four classifications of hospital care for Medicare patients, and frequencies or occurrence rates for each HCC Category and all four classifications for the years 2009-2012 were calculated obtained by dividing the number of occurrences for that particular HCC Category by the total number of claims reported for that class.

B. Kaiser Overpayments Based on Over-Reported Inpatient Cases

Relators identified cases in which the particular HCC was reported by KAISER more or less frequently than expected based on comparison to other hospitals ("Over and Under-Reported Cases") by subtracting the "Expected Cases" for that HCC category from the actual number of cases reported by the KAISER for the same HCC Category. The estimated reimbursement for these cases, as well as any credits for fewer-than-expected (i.e., Under-Reported Cases), was then calculated.

Using HCC 15 and 2010 data, the following example illustrates the methodology used by Relators across all HCCs and fiscal years:[21]

2010 Occurrence Rates Diabetes with Renal or Peripheral Circulatory Manifestation1 (HCC 15)
Total KAISER Medicare Advantage Claims = 157,505 Actual Occurrences of HCC 15 = 38,908 HCC 15 Occurrence Rate = 38,980 / 157,575 = **24.7%**
Total Non-KAISER Traditional Medicare Claims = 912,901[22] Actual Occurrences of HCC 15 = 41,460 HCC 15 Occurrence Rate = 41,460 / 912,901 = **4.5%**
2010 KAISER Medicare Advantage Over-Reported HCC 15 Cases
Expected KAISER Cases Compared to Non-KAISER Traditional Medicare = 4.5% of 157,505 = 7,088. KAISER Over-Reported Cases of HCC 15 = 38,908 – 7088 = 31,820 KAISER Over-Reported Cases of HCC 15 After Applying Readmission Rate of 19%[23] = 31,820 x 19% = **25,774**.
2010 KAISER HCC 15 Estimated Overpayment Adjusted for Readmission Rate
2010 KAISER HCC 15 Estimated Overpayment Based on Traditional Medicare = 25,774 x (0.459[24] x $7,463[25]) = **$88,289,275**.[26]

[21] Note that the calculations performed in this example will vary slightly compared to the actual data/results in the analysis due to rounding conventions applied for the purposes of illustration.

[22] This figure does not include KAISER traditional Medicare claims.

[23] To account for the possible readmission of some patients, which would inflate the total number of KAISER Over-Reported Cases, a conservative readmission rate of 19% was used to adjust (and reduce) the total number of Over-Reported Cases used to calculate CMS's estimated risk adjustment overpayments.

[24] This is the mathematical weight designated by CMS for HCC 15 in 2010.

[25] This is the CMS national factor applied by CMS for all risk adjustment calculations in a given calendar year.

[26] This number does not include deductions made for associated HCCs that were dropped before obtaining final overpayment figures.

C. Calculation of Kaiser HCC Occurrence Rates

Relators also compared the ICD-9-CM/HCC coding frequencies for KAISER's Medicare Advantage patients with the frequencies of same ICD-9-CM codes reported for traditional Medicare patients. The below chart show the average KAISER rates relative to Traditional Medicare for each HCC category based on 2008-2013 data.[27]

KAISER MEDICARE ADVANTAGE CODING RATE VS. TRADITIONAL MEDICARE								
HCC #	HCC Description	2008	2009	2010	2011	2012	2013	Average
119	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	3,411%	3,776%	3,970%	3,379%	3,053%	2,975%	**3,427%**
15	Diabetes with Renal or Peripheral Circulatory Manifestation	521%	522%	544%	548%	n/a	537%	**535%**
18	Diabetes with Ophthalmologic or Unspecified Manifestation	532%	511%	528%	532%	n/a	553%	**531%**
16	Diabetes with Neurologic or Other Specified Manifestation	372%	407%	429%	451%	n/a	500%	**432%**
83	Angina Pectoris/Old Myocardial Infarction	239%	253%	272%	275%	637%	265%	**324%**
105	Vascular Disease	170%	212%	269%	301%	401%	539%	**315%**
71	Polyneuropathy	294%	310%	315%	316%	89%	320%	**274%**
55	Major Depressive, Bipolar, and Paranoid Disorders	129%	166%	186%	206%	216%	226%	**188%**
21	Protein-Calorie Malnutrition	107%	165%	180%	195%	211%	236%	**182%**
10	Breast, Prostate, Colorectal / Other Cancers and Tumors	164%	162%	162%	159%	161%	159%	**161%**
132	Nephritis	237%	183%	163%	154%	109%	97%	**157%**

[27] Because the HCC classifications for 2012 (only) used certain unique categories, some 2012 frequency HCC data could not be included within this average; this included HCCs 16, 18, and 15 (diabetes with neurologic, ophthalmologic or renal/peripheral circulatory manifestation, respectively), which did not exist in 2012; and HCC 164 (major complications of medical care and trauma), which was deleted for 2012 only.

KAISER MEDICARE ADVANTAGE CODING RATE VS. TRADITIONAL MEDICARE								
HCC #	HCC Description	2008	2009	2010	2011	2012	2013	Average
33	Inflammatory Bowel Disease	149%	155%	162%	156%	157%	152%	**155%**
9	Lymphatic, Head and Neck, Brain / Other Major Cancers	137%	134%	129%	131%	162%	129%	**137%**
38	Rheumatoid Arthritis / Inflammatory Connective Tissue Disease	133%	139%	139%	136%	135%	139%	**137%**
131	Renal Failure	138%	131%	130%	131%	159%	128%	**136%**
104	Vascular Disease with Complications	122%	123%	130%	135%	159%	136%	**134%**
100	Hemiplegia/Hemiparesis	130%	134%	134%	133%	136%	139%	**134%**
149	Chronic Ulcer of Skin, Except Decubitus	138%	137%	132%	135%	128%	132%	**134%**
95	Cerebral Hemorrhage	131%	125%	126%	130%	133%	145%	**132%**
81	Acute Myocardial Infarction	135%	121%	128%	130%	132%	127%	**129%**
7	Metastatic Cancer and Acute Leukemia	132%	132%	131%	141%	92%	141%	**128%**
92	Specified Heart Arrhythmias	125%	124%	128%	128%	128%	134%	**128%**
82	Unstable Angina and Other Acute Ischemic Heart Disease	105%	104%	109%	121%	142%	186%	**128%**
96	Ischemic or Unspecified Stroke	126%	119%	124%	120%	124%	131%	**124%**
80	Congestive Heart Failure	125%	122%	123%	123%	121%	119%	**122%**
32	Pancreatic Disease	104%	113%	118%	121%	127%	135%	**120%**
164	Major Complications of Medical Care and Trauma	112%	109%	121%	130%	n/a	119%	**118%**
158	Hip Fracture/Dislocation	115%	118%	115%	120%	120%	119%	**118%**
27	Chronic Hepatitis	111%	112%	117%	120%	121%	120%	**117%**

KAISER MEDICARE ADVANTAGE CODING RATE VS. TRADITIONAL MEDICARE								
HCC #	HCC Description	2008	2009	2010	2011	2012	2013	Average
8	Lung, Upper Digestive Tract, and Other Severe Cancers	112%	117%	116%	120%	118%	112%	**116%**
2	Septicemia/Shock	80%	88%	105%	125%	141%	137%	**113%**
157	Vertebral Fractures without Spinal Cord Injury	114%	114%	109%	105%	112%	118%	**112%**
69	Spinal Cord Disorders/Injuries	100%	108%	111%	121%	118%	107%	**111%**
148	Decubitus Ulcer of Skin	124%	101%	102%	104%	102%	120%	**109%**
31	Intestinal Obstruction/Perforation	104%	101%	106%	110%	113%	114%	**108%**
155	Major Head Injury	96%	96%	102%	111%	111%	121%	**106%**
72	Multiple Sclerosis	106%	109%	104%	106%	109%	103%	**106%**
177	Amputation Status, Lower Limb/Amputation Complications	107%	112%	110%	103%	99%	102%	**106%**
45	Disorders of Immunity	113%	107%	115%	111%	88%	94%	**105%**
79	Cardio-Respiratory Failure and Shock	83%	92%	103%	113%	112%	121%	**104%**
37	Bone/Joint/Muscle Infections/Necrosis	97%	92%	95%	101%	107%	106%	**100%**
17	Diabetes with Acute Complications	86%	92%	98%	101%	100%	100%	**96%**
44	Severe Hematological Disorders	93%	84%	84%	83%	105%	100%	**91%**
108	Chronic Obstructive Pulmonary Disease	103%	92%	90%	87%	86%	86%	**91%**
130	Dialysis Status	94%	94%	92%	91%	83%	81%	**89%**
25	End-Stage Liver Disease	84%	81%	89%	92%	92%	92%	**88%**

KAISER MEDICARE ADVANTAGE CODING RATE VS. TRADITIONAL MEDICARE								
HCC #	HCC Description	2008	2009	2010	2011	2012	2013	Average
51	Drug/Alcohol Psychosis	87%	89%	89%	87%	89%	83%	**87%**
112	Pneumococcal Pneumonia, Emphysema, Lung Abscess	81%	83%	83%	90%	89%	96%	**87%**
73	Parkinson's and Huntington's Diseases	89%	90%	91%	83%	85%	83%	**87%**
70	Muscular Dystrophy	79%	97%	101%	82%	92%	66%	**86%**
26	Cirrhosis of Liver	85%	83%	86%	86%	86%	87%	**85%**
174	Major Organ Transplant Status	68%	77%	80%	90%	92%	77%	**81%**
52	Drug/Alcohol Dependence	73%	76%	81%	83%	82%	79%	**79%**
78	Respiratory Arrest	71%	78%	62%	73%	84%	85%	**75%**
75	Coma, Brain Compression/Anoxic Damage	65%	58%	63%	80%	91%	93%	**75%**
161	Traumatic Amputation	79%	85%	74%	50%	66%	78%	**72%**
5	Opportunistic Infections	72%	67%	70%	67%	73%	74%	**71%**
74	Seizure Disorders and Convulsions	70%	70%	70%	68%	67%	69%	**69%**
111	Aspiration and Specified Bacterial Pneumonias	70%	64%	62%	64%	63%	67%	**65%**
68	Paraplegia	62%	59%	63%	70%	66%	63%	**64%**
176	Artificial Openings for Feeding or Elimination	64%	68%	68%	65%	68%	48%	**63%**
77	Respirator Dependence/Tracheostomy Status	64%	66%	65%	55%	53%	43%	**58%**
67	Quadriplegia, Other Extensive Paralysis	66%	63%	62%	57%	49%	47%	**57%**

KAISER MEDICARE ADVANTAGE CODING RATE VS. TRADITIONAL MEDICARE								
HCC #	HCC Description	2008	2009	2010	2011	2012	2013	Average
19	Diabetes without Complication	55%	59%	58%	55%	55%	51%	**56%**
101	Cerebral Palsy and Other Paralytic Syndromes	69%	56%	59%	56%	35%	56%	**55%**
1	HIV/AIDS	45%	45%	53%	59%	56%	59%	**53%**
150	Extensive Third-Degree Burns	26%	26%	46%	42%	72%	27%	**40%**
154	Severe Head Injury	44%	49%	33%	56%	29%	27%	**40%**
107	Cystic Fibrosis	26%	23%	34%	27%	22%	42%	**29%**
54	Schizophrenia	16%	14%	15%	15%	16%	15%	**15%**

D. Adjustment of Kaiser Overpayments Based on "Associated" HCCs

As previously described, relators obtained 2008-2013 inpatient claim data from OSHPD that included all HCC ICD-9-CM diagnoses reported for all claims by a particular hospital during each year. However, under Medicare Part C, some HCCs ICD-9-CM diagnoses would not count towards risk adjustment because certain disease hierarchies require that "associated" HCCs reported for the *same* patient be "dropped" for the purposes of risk-adjustment.

Consequently, if relators estimated total risk adjustment payments based on HCC occurrences alone, this would inaccurately inflate the actual reimbursement paid. For example, if a Medicare patient was diagnosed with end-stage renal disease (HCC 27), the CMS's 2012 preliminary disease hierarchies would eliminate other HCCs for cirrhosis of liver (HCC 28), chronic hepatitis (HCC 29) and coma (HCC 80) from CMS's calculation of the risk-adjustment payment for that patient because the additional payment for treatment of end-stage renal disease was deemed sufficient to compensate a Medicare Advantage plan for a patient who also had these other medical conditions. However, since the OSHPD coding occurrences were pooled and not patient-specific, relators could not determine where multiple HCC codes may have been reported for a particular patient.

To account for the possibility of associated HCCs that would have been dropped prior to submission to CMS, relators took a highly conservative approach and dropped or reduced all associated HCCs when calculating CMS estimated risk adjustment payments to KAISER. For example, in the case of end-stage renal disease (HCC 27), relators eliminated all associated HCCs (HCCs 28, 29 and 80) where appropriate from the entire KAISER data set. Before relators' correction, KAISER's 2012 HHCs for end-stage renal disease and associated HCCs were as follows:

HCC#	HCC Description	HCC Weight	Total Occurrences
27	End-Stage Liver Disease	0.637	3,291
28	Cirrhosis of Liver	0.343	3,470
29	Chronic Hepatitis	0.343	2,867
80	Coma, Brain Compression/Anoxic Damage	0.103	2,079

After relators dropped the associated HCCs, the total numbers of KAISER HCC 227 occurrences actually counted for the purpose of calculating CMS's estimated risk adjustment payments to CMS were as follows:

HCC#	HCC Description	HCC Weight	Total Occurrences
27	End-Stage Liver Disease	0.637	3,291
28	Cirrhosis of Liver	0.343	179
29	Chronic Hepatitis	0.343	~~2,867~~
80	Coma, Brain Compression/Anoxic Damage	0.103	~~2,079~~

In this example, relators accounted for HCCs associated with end-stage liver disease by reducing HCC 28 to 179 occurrences because there were exactly 179 more cases reported for HCC 28 than HCC 27 (3,291 subtracted from 3,470), indicating that cirrhosis of liver was reported in *at least* 179 cases where end-stage liver disease could not have also been diagnosed on any underlying claim. In the case of HCCs 29 and 80, relators dropped these HCCs entirely because there were fewer HCC 29 and 90 cases relative to HCC 27 cases and relators made the highly conservative assumption that HCC 29 or 90 *may* have been reported together with HCC 27 on each individual patient claim.

It should be noted that relators' decision to drop associated HCCs in this manner almost certainly results in a significant underestimate of the actual risk adjustment payments that KAISER received. By treating all associated HCCs as though they were in fact reported on the same claim, as in the example of HCC 27 above, many independent occurrences of HCCs 28, 29, and 80 were almost certainly and unnecessarily eliminated. In particular, it is unlikely that in each of KAISER's 3,291 HCC 27 claims, HCCs 28, 29 and 80 were also present. As a result, KAISER has received the benefit of having its risk adjustment payments for certain HCCs eliminated from relators' overpayment estimates when those HCCs were not in fact associated with the HCC under CMS's HCC certain disease hierarchies.

E. Calculation of Kaiser Overpayments and Extrapolation to Entire California Medicare Advantage Patient Population

While relators have used inpatient discharge data to determine coding frequencies and estimate overpayments based on such data, this methodology does not capture the full extent of KAISER's fraud because it does not include KAISER's entire Medicare Advantage patient population and excludes outpatient encounters. To account for this limitation, relators

extrapolated its findings from KAISER's inpatient admissions to the plan's entire Medicare Advantage population.

Specifically, KAISER's total Medicare inpatient admissions were adjusted downward using a 19% readmission rate and this total, approximating the actual number of Medicare enrollees admitted by KAISER for each fiscal year, was then compared to the corresponding total risk adjustment payments – after deducting all associated HCCs and including both Over and Under-Reported Cases – for that year and a ratio was derived. This ratio was then applied to KAISER's entire Medicare Advantage risk population for each year based on actual membership numbers obtained from CMS. For 2008 - 2013, this methodology resulted in the following estimated risk adjustment overpayment by CMS to KAISER:

Fiscal Year	KAISER Total Risk Population	KAISER Members Admitted Patients	Overpayment Based on Admitted Patients	Overpayment Based on Entire Risk Population
2008	704,200	118,511	$221,938,790.21	$1,318,774,595.33
2009	740,173	121,543	$220,790,544.07	$1,344,571,052.05
2010	782,182	127,579	$294,696,317.65	$1,806,771,922.75
2011	825,836	124,663	$368,416,004.26	$2,440,589,423.44
2012	894,377	119,599	$545,227,919.09	$4,077,285,851.85
2013	926,127	121,963	$456,684,863.81	$3,467,840,106.14
TOTAL:			$2,107,754,439.10	$14,455,832,951.57

Note that KAISER's total Medicare Advantage risk population only included enrollees in California. Since KAISER provides services to Medicare enrollees in other states, relators' estimated risk adjustment overpayments to KAISER is lower than CMS's total overpayments to KAISER for its national Medicare Advantage risk population.

F. Kaiser Compared to Traditional Medicare & Other 5-Star Medicare Advantage Plans

Relators' data is consistent with and is validated by independent analyses of Kaiser's costs per member per month ("PMPM") for MA plan enrollees, which was derived from publicly available Medicare premium and total risk population information, as compared to the average PMPM for traditional Medicare providers and other 5-Star California MA plans between 2008 and 2013:

Year	Kaiser MA PMPM	CMS Cost for FFS PMPM	Excess Annual Payment to Kaiser FFS (annualized)
2008	$1,161.02	$671.39	$4,137,536,433.79
2009	$1,179.57	$683.01	$4,410,443,334.02

2010	$1,153.93	$701.30	$4,248,444,069.26
2011	$1,114.87	$715.20	$3,960,744,987.72
2012	$1,158.46	$707.71	$4,837,699,495.62
2013	$1,175.30	$713.55	$5,131,642,599.06
TOTAL:			**$26,726,510,919.48**

Year	Kaiser MA PMPM	CMS 5-Star MA Plans' PMPM (average)	Excess Payment to Kaiser MA (annualized)
2008	$1,161.02	$803.87	$3,018,038,035.66
2009	$1,179.57	$835.06	$3,059,901,044.76
2010	$1,153.93	$839.09	$2,955,090,095.47
2011	$1,114.87	$839.09	$2,732,954,257.46
2012	$1,158.46	$863.96	$3,160,745,851.04
2013	$1,175.30	$867.34	$3,422,485,930.32
TOTAL:			**$18,349,215,214.72**

EXHIBIT 3

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2008 OSHPD DATA

Total Claims	146,310	337,362	10,190	961,288	National Factor	$7,463	
					Readmission Rate	19.00%	

HCC Number	HCC Name	HCC Weight	Medicare Severity Cases - All Other Kaiser Hospitals: Number	Medicare Severity Cases - All Other Kaiser Hospitals: %	Medicare Severity Cases - All CA Providers: Number	Medicare Severity Cases - All CA Providers: %	Medicare Severity Discharges - Kaiser: Number	Medicare Severity Discharges - Kaiser: %	Medicare Severity Discharges - All CA Providers: Number	Medicare Severity Discharges - All CA Providers: %	Estimated Kaiser Annual Count of Medicare Severity Discharges Assigned to HCC Number	Estimated Kaiser Annual Count of Medicare Severity Discharges Assigned to HCC Number: %	Estimated Kaiser Annual Amount Billed for Medicare Severity Discharges Assigned to HCC Number	Estimated Kaiser Annual Amount Billed for Medicare Severity Discharges Assigned to HCC Number: %	Estimated Kaiser Annual Amount Billed for Medicare Severity Discharges Assigned to HCC Number Adjusted for Readmissions	Estimated Kaiser Annual Amount Billed for Medicare Severity Discharges Assigned to HCC Number Adjusted for Readmissions: %	Estimated Kaiser Annual Amount Billed for Medicare Severity Discharges Assigned to HCC Number Adjusted for Readmissions and Case Mix	Estimated Kaiser Annual Amount Billed for Medicare Severity Discharges Assigned to HCC Number Adjusted for Readmissions and Case Mix: %	Difference in Percentages with Kaiser Medicare Severity Discharges Assigned to CA Medicare Severity Discharges	Difference in Percentages with Kaiser Medicare Severity Discharges Assigned to CA Medicare Severity Discharges Adjusted for Readmissions
HCC1	HIV/AIDS	0.735	295	554	42	4,061	0.2%	0.2%	0.4%	0.5%	(364)	$457	($1,987,966.33)	55	$300,246.96	(295)	($1,618,352.73)	44	$243,206.04	0.0%	-0.2%
HCC10	Breast, Prostate, Colorectal and Other Cancers and Tumors	0.241	13,336	24,805	656	50,106	9.1%	7.4%	6.5%	5.6%	5,202	$150	$9,356,363.93	2577	$4,635,051.17	4,214	$7,578,654.78	2087	$3,754,391.45	1.8%	3.6%
HCC100	Hemiplegia/Hemiparesis	0.085	14,618	26,859	70,579	88,399	10.0%	8.0%	692.6%	7.7%	3,352	$40	$1,626,115.36	2970	$1,440,519.75	2,715	$1,317,153.44	2405	$1,166,821.00	2.0%	2.3%
HCC101	Cerebral Palsy and OtherParalytic Syndromes	0.000	592	1,158	5,357	5,286	0.4%	0.3%	52.6%	0.6%	(266)	$0	$0.00	90	$0.00	(216)	$0.00	73	$0.00	0.1%	-0.2%
HCC104	Vascular Disease withComplications	0.495	5,745	12,038	29,272	28,915	3.9%	3.6%	287.3%	3.2%	1,051	$808	$3,882,966.43	524	$1,936,708.04	851	$3,145,202.81	425	$1,568,733.51	0.4%	0.7%
HCC105	Vascular Disease	0.184	30,445	54,249	111,641	110,085	20.8%	16.1%	1095.6%	12.2%	12,575	$102	$15,390,636.41	6918	$8,466,960.53	10,186	$12,466,435.49	5605	$6,858,238.03	4.7%	8.6%
HCC107	Cystic Fibrosis	0.327	24	33	572	572	0.0%	0.0%	5.6%	0.1%	(68)	$203	($368,034.43)	30	$23,643.29	(56)	($136,107.88)	8	$19,151.07	0.0%	0.0%
HCC108	Chronic ObstructivePulmonary Disease	0.327	36,293	76,678	219,173	217,014	24.8%	22.8%	2150.9%	24.1%	1,064	$205	$2,597,010.72	2952	$7,203,819.70	862	$2,103,578.68	2393	$5,835,093.96	2.0%	0.7%
HCC111	Aspiration and SpecifiedBacterial Pneumonias	0.844	9,495	21,474	84,294	83,245	6.5%	6.4%	827.2%	9.2%	(4,018)	$401	($19,312,151.43)	182	$874,600.30	(3,255)	($15,642,842.65)	147	$708,426.24	0.1%	-2.7%
HCC112	Pneumococcal Pneumonia, Empyema, Lung Abscess	0.188	878	1,989	6,742	6,662	0.6%	0.6%	66.2%	0.7%	(208)	$117	($285,479.37)	15	$21,598.02	(168)	($231,238.29)	12	$17,494.40	0.0%	-0.1%
HCC119	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	0.527	2,259	2,322	530	408	1.5%	0.7%	5.2%	0.0%	2,193	$328	$8,624,157.11	1251	$4,924,010.65	1,776	$6,985,567.26	1014	$3,988,456.73	0.9%	1.5%
HCC130	Dialysis Status3	0.000	5,978	10,331	39,799	39,142	4.1%	3.1%	390.6%	4.3%	(378)	$0	$0.00	1496	$0.00	(306)	$0.00	1211	$0.00	1.0%	-0.3%
HCC131	Renal Failure3	0.000	69,899	129,841	317,904	313,100	47.8%	38.5%	3119.8%	34.7%	19,072	$0	$0.00	13588	$0.00	15,448	$0.00	11007	$0.00	9.3%	13.0%
HCC148	Decubitus Ulcer of Skin	0.290	6,075	8,929	16,191	15,814	4.2%	2.6%	158.8%	1.8%	3,508	$180	$7,591,922.87	2203	$4,767,012.24	2,841	$6,149,457.53	1784	$3,861,279.92	1.5%	2.4%
HCC149	Chronic Ulcer of Skin, ExceptDecubitus	0.474	15,501	27,705	76,186	76,885	10.6%	8.2%	767.3%	8.5%	3,023	$295	$10,694,350.15	3486	$12,330,395.91	2,449	$8,662,423.82	2823	$9,987,620.69	2.4%	2.1%
HCC149	Chronic Ulcer of Skin, ExceptDecubitus	0.239	5,469	9,193	24,727	24,351	3.7%	2.7%	242.7%	2.7%	1,516	$146	$1,704,017.39	1482	$2,843,561.89	1,228	$2,190,254.09	1201	$2,141,285.13	1.0%	1.0%
HCC15	Diabetes with Renal or Peripheral Circulatory Manifestation	0.466	58,003	72,493	2,909	68,544	39.5%	21.5%	28.5%	7.6%	46,876	$290	$163,023,225.56	26564	$92,381,855.22	37,970	$132,048,812.70	23517	$74,829,302.73	18.2%	32.0%
HCC160	Extensive Third-DegreeBurns	0.000	3	11	71	71	0.0%	0.0%	0.7%	0.0%	(9)	$0	$0.00	-2	$0.00	(7)	$0.00	-1	$0.00	0.0%	0.0%
HCC164	Severe Head Injury	0.000	26	143	372	368	0.0%	0.0%	3.7%	0.0%	(34)	$0	$0.00	-36	$0.00	(27)	$0.00	-29	$0.00	0.0%	0.0%
HCC165	Major Head Injury	0.000	1,639	4,068	10,675	10,570	1.1%	1.2%	104.8%	1.2%	(77)	$0	$0.00	-134	$0.00	(62)	$0.00	-108	$0.00	-0.1%	-0.1%
HCC167	Vertebral Fractures withoutSpinal Cord Injury	0.109	2,700	5,801	14,730	14,576	1.8%	1.7%	144.5%	1.5%	334	$68	$271,547.11	184	$149,818.94	270	$219,953.16	149	$121,353.34	0.1%	0.2%
HCC168	Hip Fracture/Dislocation	0.000	4,852	11,790	26,335	26,067	3.3%	3.5%	258.4%	2.9%	620	$0	$0.00	-261	$0.00	503	$0.00	-212	$0.00	-0.2%	0.4%
HCC16	Diabetes with Neurologic orOther Specified Manifestation	0.466	49,615	65,975	2,586	62,591	34.0%	19.6%	25.4%	9.2%	36,408	$290	$126,616,574.65	21202	$73,755,325.60	29,490	$102,559,749.47	17174	$59,725,613.73	14.5%	24.9%
HCC161	Traumatic Amputation	0.224	8	13	47	47	0.0%	0.0%	0.5%	0.0%	(2)	$139	($2,724.42)	0	$605.24	(1)	($2,206.77)	0	$490.25	0.0%	0.0%
HCC164	Major Complications ofMedical Care and Trauma	0.219	9,492	20,060	52,827	52,320	6.5%	5.9%	518.4%	5.8%	999	$136	$1,632,218.19	792	$1,294,785.42	808	$1,322,096.73	642	$1,048,776.19	0.5%	0.7%
HCC17	Diabetes with AcuteComplications	0.466	585	1,297	78	4,196	0.4%	0.4%	0.8%	0.5%	(96)	$290	($334,403.56)	23	$78,270.74	(78)	($270,866.88)	18	$63,399.30	0.0%	-0.1%
HCC170	Major Organ TransplantStatus	0.362	501	1,001	4,590	4,562	0.3%	0.3%	45.0%	0.5%	(240)	$225	($647,221.85)	87	$180,677.66	(194)	($524,249.70)	54	$146,348.90	0.0%	-0.2%
HCC176	Artificial Openings forFeeding or Elimination	0.843	3,705	7,997	36,216	35,853	2.5%	2.4%	355.4%	4.0%	(2,115)	$524	($13,307,209.35)	237	$1,489,741.29	(1,713)	($10,778,839.58)	192	$1,206,690.44	0.2%	-1.4%
HCC177	Amputation Status, Lower Limb/Amputation Complications	0.224	3,315	5,964	19,456	19,137	2.3%	1.8%	190.9%	2.1%	209	$139	$350,025.71	728	$1,217,812.33	170	$283,520.82	590	$986,427.98	0.5%	0.1%
HCC18	Diabetes with Ophthalmologic or Unspecified Manifestation	0.466	18,705	22,238	975	21,642	12.8%	6.6%	9.6%	2.4%	15,193	$290	$52,836,742.75	9062	$31,514,178.62	12,306	$42,797,761.64	7340	$25,526,484.68	6.2%	10.4%
HCC19	Diabetes withoutComplication	0.257	56,877	190,913	6,067	659,591	40.2%	56.6%	59.5%	73.2%	(48,197)	$160	($92,441,939.77)	-23920	($45,877,887.15)	(39,040)	($74,877,971.21)	-19375	($37,161,088.59)	-16.3%	-32.9%
HCC2	Septicemia/Shock	0.782	12,297	28,084	1,264	94,353	8.4%	8.3%	12.6%	10.5%	(3,020)	$474	($17,172,634.34)	117	$667,027.14	(2,446)	($13,909,833.82)	95	$540,291.98	0.1%	-2.1%
HCC21	Protein-Calorie Malnutrition	0.395	10,040	19,161	702	57,850	6.9%	5.7%	6.9%	6.4%	649	$246	$1,913,053.43	1730	$5,100,123.38	526	$1,549,573.28	1401	$4,133,099.93	1.2%	0.4%
HCC22	End-Stage Liver Disease	0.768	2,291	4,744	195	16,649	1.6%	1.4%	1.9%	1.9%	(444)	$478	($2,545,805.88)	234	$1,338,795.05	(360)	($2,062,102.76)	189	$1,084,423.89	0.2%	-0.3%
HCC23	Cirrhosis of Liver	0.363	2,749	5,591	217	19,885	1.9%	1.7%	2.1%	2.2%	(479)	$226	($1,297,694.21)	324	$878,410.00	(388)	($1,051,132.33)	263	$711,512.10	0.2%	-0.3%
HCC27	Chronic Hepatitis	0.363	2,181	3,221	211	12,110	1.5%	1.0%	2.1%	1.3%	215	$226	$582,804.84	784	$2,124,152.64	174	$472,071.92	635	$1,720,563.64	0.5%	0.1%
HCC31	Intestinal Obstruction/Perforation	0.349	7,171	16,142	490	42,346	4.9%	4.8%	4.4%	4.7%	297	$217	$773,014.57	170	$443,624.65	240	$626,143.80	138	$359,498.00	0.1%	0.2%
HCC33	Pancreatic Disease	0.277	5,282	11,130	458	31,323	3.6%	3.3%	4.5%	3.5%	197	$172	$407,664.40	455	$940,697.70	160	$330,208.17	369	$761,965.14	0.3%	0.1%
HCC34	Inflammatory Bowel Disease	0.263	1,297	2,331	67	5,347	0.9%	0.7%	0.7%	0.6%	429	$164	$842,024.45	286	$561,499.73	347	$682,039.80	232	$454,809.52	0.2%	0.3%
HCC37	Bone/Joint/MuscleInfections/Necrosis	0.482	2,208	4,153	146	14,003	1.5%	1.2%	1.4%	1.6%	(65)	$300	($234,419.67)	407	$1,463,657.72	(53)	($189,879.94)	330	$1,185,562.75	0.3%	0.0%
HCC38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	0.233	12,209	22,912	681	56,651	8.3%	6.8%	6.7%	6.3%	3,013	$145	$5,238,541.38	2272	$3,951,307.56	2,440	$4,243,218.52	1841	$3,200,559.21	1.6%	2.1%
HCC44	Severe HematologicalDisorders	0.477	3,041	6,270	173	20,202	2.1%	1.9%	1.7%	2.2%	(358)	$297	($846,947.93)	322	$1,145,465.62	(393)	($687,647.83)	263	$927,827.15	0.2%	-0.2%
HCC46	Disorders of Immunity	0.443	1,882	3,003	56	9,155	1.1%	0.9%	0.5%	1.0%	196	$276	$647,432.16	380	$1,255,110.10	159	$524,420.05	308	$1,018,639.18	0.3%	0.1%
HCC5	Opportunistic Infections	0.476	686	1,477	53	5,853	0.5%	0.4%	0.5%	0.6%	(262)	$296	($931,233.40)	47	$168,533.00	(212)	($754,299.08)	38	$136,511.73	0.0%	-0.2%
HCC51	Drug/Alcohol Psychosis	0.000	2,338	4,199	200	16,556	1.6%	1.2%	2.0%	1.8%	(350)	$0	$0.00	518	$0.00	(283)	$0.00	420	$0.00	0.4%	-0.2%
HCC52	Drug/Alcohol Dependence	0.000	5,948	11,142	686	49,851	4.1%	3.3%	6.7%	5.5%	(2,145)	$0	$0.00	1218	$0.00	(1,737)	$0.00	904	$0.00	0.8%	-1.5%
HCC54	Schizophrenia	0.347	1,548	3,576	60,773	60,665	1.1%	1.1%	596.4%	6.8%	(8,332)	$216	($21,578,258.75)	-3	($7,431.98)	(6,749)	($17,478,421.99)	-2	($6,019.81)	0.0%	-5.7%
HCC55	Major Depressive, Bipolar, and Paranoid Disorders	0.308	16,121	24,422	77,922	77,064	13.0%	7.2%	764.7%	8.5%	3,621	$192	$8,322,339.10	5529	$12,710,040.90	2,933	$6,741,094.67	4479	$10,295,133.13	3.8%	2.5%
HCC67	Quadriplegia, OtherExtensive Paralysis	0.337	886	1,691	8,498	8,394	0.6%	0.5%	83.4%	0.9%	(467)	$210	($1,173,600.28)	163	$409,026.65	(378)	($950,616.23)	132	$331,311.58	0.1%	-0.3%
HCC68	Paraplegia	0.291	555	1,071	5,580	5,532	0.4%	0.3%	54.8%	0.6%	(343)	$181	($744,577.42)	91	$196,584.57	(278)	($603,431.71)	73	$159,233.51	0.1%	-0.2%
HCC69	Spinal CordDisorders/Injuries	0.152	1,095	1,910	6,804	6,749	0.7%	0.6%	66.8%	0.7%	(1)	$95	($674.40)	267	$302,487.12	(0)	($546.27)	216	$245,014.57	0.2%	0.0%
HCC7	Metastatic Cancer and AcuteLeukemia	0.5680	13,950	25,974	679	65,310	9.5%	7.7%	6.7%	7.2%	3,348	$353	$14,191,879.86	2685	$11,383,267.68	2,712	$11,495,422.69	2175	$9,220,446.82	1.8%	2.3%
HCC70	Muscular Dystrophy	0.000	61	118	479	477	0.0%	0.0%	4.7%	0.1%	(16)	$0	$0.00	10	$0.00	(13)	$0.00	8	$0.00	0.0%	0.0%
HCC71	Polyneuropathy	0.253	22,454	30,669	48,112	47,027	15.3%	9.1%	472.1%	5.2%	14,820	$157	$27,982,036.09	9145	$17,266,153.96	12,004	$22,665,449.23	7407	$13,985,584.71	6.3%	10.1%
HCC72	Multiple Sclerosis	0.174	730	1,296	4,298	4,238	0.5%	0.4%	42.2%	0.5%	42	$108	$54,574.71	168	$218,080.22	34	$44,205.51	136	$176,644.98	0.1%	0.0%
HCC73	Parkinson's and Huntington's Diseases	0.089	5,738	12,759	40,216	39,649	3.9%	3.8%	394.7%	4.4%	(731)	$55	($485,443.28)	205	$135,876.28	(592)	($393,209.06)	166	$110,039.79	0.1%	-0.5%
HCC74	Seizure Disorders andConvulsions	0.185	8,614	18,357	78,559	75,494	5.9%	5.4%	751.3%	8.4%	(3,643)	$103	($4,483,840.79)	653	$803,831.60	(2,949)	($3,631,911.04)	529	$651,103.60	0.4%	-2.5%
HCC75	Coma, BrainCompression/Anoxic Damage	0.000	1,043	2,004	9,995	9,818	0.7%	0.9%	98.1%	1.1%	(551)	$0	$0.00	-216	$0.00	(446)	$0.00	-175	$0.00	-0.1%	-0.4%
HCC77	Respirator Dependence/Tracheostomy Status	0.380	1,958	3,782	19,420	19,181	1.4%	1.1%	190.7%	2.1%	(1,112)	$846	($11,291,401.72)	358	$3,631,457.20	(901)	($9,146,095.40)	290	$2,941,480.33	0.2%	-0.8%
HCC78	Respiratory Arrest	0.984	75	199	655	647	0.1%	0.1%	6.4%	0.1%	(30)	$617	($220,530.44)	-11	($83,011.95)	(24)	($178,629.66)	-9	($67,239.69)	0.0%	0.0%
HCC79	Cardio-Respiratory Failure and Shock	0.464	15,243	38,185	114,333	112,806	10.4%	11.3%	1122.0%	12.5%	(3,069)	$289	($10,628,430.37)	-1309	($4,531,875.31)	(2,486)	($8,609,028.60)	-1060	($3,670,819.00)	-0.9%	-2.1%
HCC8	Lung, Upper Digestive Tract, and Other Severe Cancers	0.5680	5,638	11,854	271	30,936	3.9%	3.5%	2.7%	3.4%	616	$353	$2,611,318.44	497	$2,107,017.58	499	$2,115,167.94	403	$1,706,684.24	0.3%	0.4%
HCC80	Congestive Heart Failure	0.231	111,345	226,399	555,341	547,410	76.1%	67.1%	5449.9%	60.7%	22,482	$144	$58,757,145.26	13158	$22,684,412.36	18,210	$31,393,286.04	10658	$18,374,374.01	9.0%	15.4%
HCC81	Acute Myocardial Infarction	0.474	6,744	16,494	31,291	30,714	4.6%	4.9%	306.7%	3.4%	1,758	$295	$6,219,080.46	-409	($1,447,731.63)	1,424	$5,037,455.17	-333	($1,172,662.62)	-0.3%	1.2%
HCC82	Unstable Angina and OtherAcute Ischemic Heart Disease	0.474	3,523	8,725	20,913	20,626	2.4%	2.6%	205.2%	2.3%	175	$295	$637,965.37	-261	($923,035.80)	142	$500,551.95	-231	($747,659.00)	-0.2%	0.1%
HCC83	Angina Pectoris/OldMyocardial Infarction	0.296	27,457	45,445	72,220	70,758	18.8%	13.5%	708.7%	7.9%	15,951	$184	$35,235,522.16	7729	$17,073,502.59	12,920	$28,540,772.95	6260	$13,829,537.10	5.3%	10.9%
HCC9	Lymphoma, Head and Neck, Brain, and Other Major Cancers	0.402	8,847	18,981	336	39,819	6.0%	5.0%	3.3%	4.4%	2,383	$250	$7,149,326.03	1483	$4,447,766.52	1,930	$5,790,984.08	1201	$3,602,715.18	1.0%	1.8%
HCC92	Specified Heart Arrhythmias	0.198	43,912	95,703	219,087	216,558	30.0%	28.4%	2150.5%	24.0%	8,757	$123	$12,940,284.13	2407	$3,556,340.30	7,093	$10,481,630.15	1949	$2,880,635.65	1.6%	6.0%
HCC96	Cerebral Hemorrhage	0.175	1,547	3,481	7,434	7,293	1.1%	1.0%	73.0%	0.8%	363	$109	$474,211.93	37	$48,754.61	294	$384,131.66	30	$39,491.24	0.0%	0.2%
HCC96	Ischemic or UnspecifiedStroke	0.175	4,629	10,867	23,088	22,648	3.2%	3.2%	226.4%	2.5%	952	$109	$1,243,915.73	93	($120,893.59)	771	$1,007,579.82	75	($97,923.81)	-0.1%	0.7%
													$271,267,254.30		$217,260,776.49		$306,736,346.30		$245,600,942.21		

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2009 OSHPD DATA

Total Claims 160,053 340,063 10,163 806,071

National Factor $7,483
Readmission Rate 19.00%

HCC CATEG	HCC Desc	HCC Weight	Kaiser	CA Managed	Traditional Kaiser	Excluding Kaiser Hospitals	Kaiser Managed Care	CA Managed Care	Kaiser Traditional Care	CA Traditional Care	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	Difference in comorbid rate for Kaiser Managed Care vs CA Managed care	Difference in comorbid rate for Kaiser Managed Care vs CA Traditional care
1	HIV/AIDS	0.967	318	586	38	4,214	0.2%	0.2%	0.4%	0.5%	(388)	$601	($2,803,338.77)	60	$433,740.19	(315)	($2,270,704.41)	49	$351,329.55	0.0%	-0.3%
2	Septicemia/Shock	0.764	14,080	29,965	1,530	95,411	9.4%	8.8%	15.1%	10.7%	(1,915)	$475	($10,919,110.69)	892	$5,088,453.70	(1,551)	($8,844,479.66)	723	$4,121,647.50	0.6%	-1.3%
5	Opportunistic Infections	0.288	658	1,536	56	5,846	0.4%	0.5%	0.6%	0.7%	(322)	$179	($692,185.44)	-18	($38,670.41)	(261)	($560,670.21)	-15	($31,323.04)	0.0%	-0.2%
7	Metastatic Cancer and Acute Leukemia	0.824	11,456	21,408	636	51,781	7.6%	6.3%	6.3%	5.8%	2,775	$512	$17,066,386.39	2034	$12,510,353.68	2,248	$13,823,772.98	1648	$10,133,386.48	1.4%	1.8%
8	Lung, Upper Digestive Tract, and Other SevereCancers	0.47	5,138	10,866	271	26,230	3.4%	3.2%	2.7%	2.9%	741	$292	$2,598,108.35	356	$1,248,311.52	600	$2,104,467.77	288	$1,011,132.33	0.2%	0.5%
9	Lymphatic, Head and Neck, Brain, and Other MajorCancers	0.368	5,111	9,679	226	22,786	3.4%	2.8%	2.2%	2.5%	1,291	$229	$3,545,776.77	851	$2,337,952.45	1,046	$2,872,079.19	690	$1,893,741.49	0.6%	0.9%
10	Breast, Prostate, Colorectal and Other Cancers andTumors	0.182	12,109	22,512	597	44,507	8.1%	6.6%	5.9%	5.0%	4,648	$113	$6,312,789.19	2201	$2,990,217.47	3,765	$5,113,359.24	1783	$2,422,076.15	1.5%	3.1%
15	Diabetes with Renal or Peripheral CirculatoryManifestation1	0.459	34,538	42,137	1,774	39,430	23.0%	12.4%	17.5%	4.4%	27,928	$285	$95,667,186.33	15994	$54,786,203.54	22,622	$77,490,420.93	12955	$44,376,824.86	10.7%	18.6%
16	Diabetes with Neurologic or Other SpecifiedManifestation1	0.459	32,607	40,715	1,725	47,810	21.7%	11.9%	17.0%	5.3%	24,592	$285	$84,240,161.50	14688	$50,315,288.86	19,919	$68,234,530.81	11898	$40,755,383.98	9.8%	16.4%
17	Diabetes with Acute Complications1	0.459	541	1,085	96	3,511	0.4%	0.3%	0.9%	0.4%	(48)	$285	($163,044.25)	63	$217,495.74	(39)	($132,065.84)	51	$176,171.55	0.0%	0.0%
18	Diabetes with Ophthalmologic or UnspecifiedManifestation1	0.459	11,261	13,006	565	13,133	7.5%	3.8%	5.6%	1.5%	9,059	$285	$31,032,907.75	5537	$18,967,345.37	7,338	$25,136,655.28	4485	$15,363,549.75	3.7%	6.0%
19	Diabetes without Complication1	0.248	26,569	78,329	2,457	266,586	17.7%	23.0%	24.2%	29.8%	(18,122)	$154	($33,541,482.39)	-7903	($14,627,982.84)	(14,679)	($27,168,600.73)	-6402	($11,848,666.10)	-5.3%	-12.1%
21	Protein-Calorie Malnutrition	0.374	17,979	27,320	1,250	64,940	12.0%	8.0%	12.3%	7.3%	7,092	$233	$19,795,532.59	5956	$16,622,768.86	5,745	$16,034,381.40	4824	$13,464,442.77	4.0%	4.7%
25	End-Stage Liver Disease	0.654	2,317	4,764	257	17,099	1.5%	1.4%	2.5%	1.9%	(550)	$407	($2,682,192.78)	220	$1,075,579.42	(445)	($2,172,576.15)	178	$871,219.33	0.1%	-0.4%
26	Cirrhosis of Liver	0.384	2,882	5,969	264	20,758	1.9%	1.8%	2.6%	2.3%	(598)	$239	($1,713,593.43)	255	$730,921.31	(484)	($1,388,010.68)	207	$592,046.26	0.2%	-0.4%
27	Chronic Hepatitis	0.384	2,382	3,551	215	12,723	1.6%	1.0%	2.1%	1.4%	249	$239	$713,781.11	819	$2,347,683.24	202	$578,162.70	664	$1,901,623.43	0.5%	0.2%
31	Intestinal Obstruction/Perforation	0.345	7,267	16,477	497	42,857	4.8%	4.8%	4.9%	4.8%	82	$215	$211,886.86	15	$39,888.75	67	$171,628.36	13	$32,309.89	0.0%	0.1%
32	Pancreatic Disease	0.309	3,501	6,968	240	18,520	2.3%	2.0%	2.4%	2.1%	396	$192	$913,753.61	434	$1,001,736.34	321	$740,140.43	352	$811,406.43	0.3%	0.3%
33	Inflammatory Bowel Disease	0.205	1,393	2,377	87	5,378	0.9%	0.7%	0.9%	0.6%	491	$127	$751,819.00	347	$530,704.86	398	$608,973.39	281	$429,870.94	0.2%	0.3%
37	Bone/Joint/Muscle Infections/Necrosis	0.497	2,107	4,006	129	13,660	1.4%	1.2%	1.3%	1.5%	(183)	$309	($678,814.51)	344	$1,275,801.69	(148)	($549,839.76)	279	$1,033,399.37	0.2%	-0.1%
38	Rheumatoid Arthritis and Inflammatory ConnectiveTissue Disease	0.215	7,963	14,703	395	34,127	5.3%	4.3%	3.9%	3.8%	2,242	$134	$3,597,107.48	1492	$2,394,346.35	1,816	$2,913,657.06	1209	$1,939,420.54	1.0%	1.5%
44	Severe Hematological Disorders	0.493	3,011	6,294	246	21,299	2.0%	1.8%	2.4%	2.4%	(560)	$307	($2,059,070.91)	241	$886,768.63	(453)	($1,667,847.44)	195	$718,282.59	0.2%	-0.4%
45	Disorders of Immunity	0.427	1,110	2,027	67	6,201	0.7%	0.6%	0.7%	0.7%	70	$266	$224,476.05	218	$694,445.15	57	$181,825.60	177	$562,500.57	0.1%	0.0%
51	Drug/Alcohol Psychosis3	0	1,994	3,653	172	13,325	1.3%	1.1%	1.7%	1.5%	(240)	$0	$0.00	386	$0.00	(194)	$0.00	313	$0.00	0.3%	-0.2%
52	Drug/Alcohol Dependence3	0	4,384	8,260	507	34,297	2.9%	2.4%	5.0%	3.8%	(1,366)	$0	$0.00	749	$0.00	(1,106)	$0.00	607	$0.00	0.5%	-0.9%
54	Schizophrenia	0.351	887	2,169	192	37,075	0.6%	0.6%	1.9%	4.1%	(5,328)	$218	($13,957,785.80)	-68	($177,011.65)	(4,316)	($11,305,806.50)	-55	($143,379.43)	0.0%	-3.6%
55	Major Depressive, Bipolar, and Paranoid Disorders	0.293	13,891	19,298	688	49,965	9.3%	5.7%	6.8%	5.6%	5,515	$182	$12,058,731.92	5398	$11,803,527.79	4,467	$9,767,572.85	4372	$9,560,857.51	3.6%	3.7%
67	Quadriplegia, Other Extensive Paralysis	0.434	547	972	65	5,143	0.4%	0.3%	0.6%	0.6%	(315)	$270	($1,020,886.88)	119	$386,159.57	(255)	($826,918.37)	97	$312,789.25	0.1%	-0.2%
68	Paraplegia	0.434	585	1,095	39	5,900	0.4%	0.3%	0.4%	0.7%	(404)	$270	($1,308,849.13)	103	$333,908.47	(327)	($1,060,167.80)	84	$270,465.86	0.1%	-0.3%
69	Spinal Cord Disorders/Injuries	0.226	1,038	1,735	71	5,755	0.7%	0.5%	0.7%	0.6%	73	$140	$122,933.41	274	$460,813.67	59	$99,576.06	222	$373,259.07	0.2%	0.0%
70	Muscular Dystrophy3	0	79	163	7	486	0.1%	0.0%	0.1%	0.1%	(2)	$0	$0.00	7	$0.00	(2)	$0.00	6	$0.00	0.0%	0.0%
71	Polyneuropathy	0.226	24,808	33,279	1,140	47,751	16.5%	9.8%	11.2%	5.3%	16,803	$140	$28,214,919.67	10162	$17,063,696.82	13,610	$22,854,084.93	8231	$13,821,594.42	6.8%	11.2%
72	Multiple Sclerosis	0.145	767	1,328	75	4,209	0.5%	0.4%	0.7%	0.5%	61	$90	$66,429.81	183	$197,542.46	50	$53,808.15	148	$160,009.40	0.1%	0.0%
73	Parkinson's and Huntington's Diseases	0.092	3,022	6,508	193	19,976	2.0%	1.9%	1.9%	2.2%	(327)	$57	($224,414.06)	158	$108,370.34	(265)	($181,775.39)	128	$87,779.98	0.1%	-0.2%
74	Seizure Disorders and Convulsions	0.177	5,672	12,056	649	48,055	3.8%	3.5%	6.4%	5.4%	(2,384)	$110	($3,149,302.05)	366	$483,691.42	(1,931)	($2,550,934.66)	297	$391,790.05	0.2%	-1.6%
76	Coma, Brain Compression/Anoxic Damage3	0	1,089	3,165	252	11,250	0.7%	0.9%	2.5%	1.3%	(797)	$0	$0.00	-304	$0.00	(646)	$0.00	-246	$0.00	-0.2%	-0.5%
77	Respirator Dependence/Tracheostomy Status	1.559	1,421	2,684	167	12,938	0.9%	0.8%	1.6%	1.4%	(748)	$970	($8,702,540.44)	240	$1,789,736.73	(606)	($7,049,057.76)	194	$2,259,686.75	0.2%	-0.5%
78	Respiratory Arrest	1.235	80	186	11	614	0.1%	0.1%	0.1%	0.1%	(23)	$768	($211,371.04)	-2	($17,128.27)	(19)	($171,210.54)	-2	($13,873.90)	0.0%	0.0%
79	Cardio-Respiratory Failure and Shock	0.446	17,986	42,371	1,842	116,842	12.0%	12.4%	18.1%	13.1%	(1,602)	$277	($5,319,711.38)	-661	($2,196,617.20)	(1,297)	($4,308,966.22)	-536	($1,779,259.93)	-0.4%	-1.1%
80	Congestive Heart Failure	0.228	72,306	147,051	4,689	353,438	48.2%	43.1%	46.1%	39.5%	13,054	$142	$22,212,814.67	7589	$12,913,227.08	10,574	$17,992,379.88	6147	$10,459,713.93	5.1%	8.7%
81	Acute Myocardial Infarction	0.424	5,956	15,570	482	29,295	4.0%	4.6%	4.7%	3.3%	1,045	$264	$3,306,320.86	-896	($2,836,293.20)	846	$2,678,119.90	-726	($2,297,397.49)	-0.6%	0.7%
82	Unstable Angina and Other Acute Ischemic HeartDisease	0.424	3,320	8,112	191	19,028	2.2%	2.4%	1.9%	2.1%	130	$264	$411,600.98	-250	($791,335.32)	105	$333,396.79	-203	($640,981.61)	-0.2%	0.1%
83	Angina Pectoris/Old Myocardial Infarction	0.29	29,254	46,847	1,416	68,874	19.5%	13.7%	13.9%	7.7%	17,708	$180	$38,324,263.14	8637	$18,692,134.18	14,343	$31,042,653.14	6996	$15,140,628.68	5.8%	11.8%
92	Specified Heart Arrhythmias	0.207	45,379	98,464	2,642	218,824	30.2%	28.9%	26.0%	24.4%	8,695	$129	$13,431,679.49	2045	$3,159,375.24	7,043	$10,879,660.39	1657	$2,559,093.94	1.4%	5.8%
95	Cerebral Hemorrhage	0.179	1,537	3,587	169	7,342	1.0%	1.1%	1.7%	0.8%	306	$111	$408,992.20	-42	($55,618.34)	248	$331,283.68	-34	($45,050.86)	0.0%	0.2%
96	Ischemic or Unspecified Stroke	0.179	4,551	10,787	428	22,765	3.0%	3.2%	4.2%	2.5%	735	$111	$981,323.93	-196	($262,293.52)	595	$794,872.38	-159	($212,457.75)	-0.1%	0.5%
100	Hemiplegia/Hemiparesis	0.039	7,992	14,166	633	35,650	5.3%	4.2%	6.2%	4.0%	2,016	$24	$586,626.16	1758	$511,550.33	1,633	$475,167.19	1424	$414,355.77	1.2%	1.3%
101	Cerebral Palsy and Other Paralytic Syndromes3	0	423	927	43	4,512	0.3%	0.3%	0.4%	0.5%	(333)	$0	$0.00	15	$0.00	(270)	$0.00	12	$0.00	0.0%	-0.2%
104	Vascular Disease with Complications	0.482	5,327	11,002	376	25,900	3.6%	3.2%	3.7%	2.9%	985	$300	$3,543,311.32	485	$1,744,744.94	798	$2,870,082.17	393	$1,413,243.40	0.3%	0.7%
105	Vascular Disease	0.165	36,324	58,753	1,823	102,023	24.2%	17.2%	17.9%	11.4%	19,220	$103	$23,668,013.33	10467	$12,888,859.10	15,569	$19,171,090.80	8478	$10,439,975.87	7.0%	12.8%
107	Cystic Fibrosis	0.631	16	23	0	414	0.0%	0.0%	0.0%	0.0%	(53)	$392	($251,489.89)	6	$27,679.12	(43)	($203,706.81)	5	$22,420.09	0.0%	0.0%
108	Chronic Obstructive Pulmonary Disease	0.359	29,937	67,579	1,898	195,134	20.0%	19.8%	18.7%	21.8%	(2,776)	$223	($7,437,459.93)	196	$523,959.51	(2,249)	($6,024,342.55)	158	$424,407.20	0.1%	-1.9%
111	Aspiration and Specified Bacterial Pneumonias	0.573	5,436	12,751	568	50,670	3.6%	3.7%	5.6%	5.7%	(3,059)	$356	($13,079,083.90)	-176	($751,343.89)	(2,477)	($10,594,057.96)	-142	($608,588.55)	-0.1%	-2.0%
112	Pneumococcal Pneumonia, Emphysema, LungAbscess	0.181	750	1,727	64	5,369	0.5%	0.5%	0.6%	0.6%	(150)	$113	($202,727.08)	-10	($13,576.38)	(122)	($164,208.94)	-8	($10,996.86)	0.0%	-0.1%
119	Proliferative Diabetic Retinopathy and VitreousHemorrhage	0.497	3,083	3,064	186	487	2.1%	0.9%	1.8%	0.1%	3,001	$309	$11,132,368.21	1735	$6,433,591.50	2,431	$9,017,218.25	1405	$5,211,209.11	1.2%	2.0%
130	Dialysis Status	1.718	6,597	11,265	788	42,063	4.4%	3.3%	7.8%	4.7%	(455)	$1,068	($5,828,576.27)	1639	$21,018,012.92	(368)	($4,721,146.78)	1328	$17,024,590.46	1.1%	-0.3%
131	Renal Failure	0.388	76,605	144,367	5,283	348,713	51.1%	42.3%	52.0%	39.0%	18,145	$241	$52,542,815.47	13069	$37,843,921.83	14,698	$42,559,680.53	10586	$30,653,576.69	8.7%	12.1%
132	Nephritis	0.253	5,006	8,213	215	16,320	3.3%	2.4%	2.1%	1.8%	2,270	$157	$4,286,179.52	1391	$2,627,286.33	1,839	$3,471,805.41	1127	$2,128,101.92	0.9%	1.5%
148	Decubitus Ulcer of Skin	0.485	19,639	37,046	1,820	115,944	13.1%	10.9%	17.9%	13.0%	202	$302	$730,139.12	3335	$12,071,579.78	163	$591,412.69	2701	$9,777,979.62	2.2%	0.1%
149	Chronic Ulcer of Skin, Except Decubitus	0.241	4,870	8,166	311	21,235	3.2%	2.4%	3.1%	2.4%	1,310	$150	$2,356,299.07	1276	$2,295,267.71	1,061	$1,908,602.25	1034	$1,859,166.85	0.9%	0.9%
150	Extensive Third-Degree Burns3	0	3	16	0	69	0.0%	0.0%	0.0%	0.0%	(9)	$0	$0.00	-4	$0.00	(7)	$0.00	-3	$0.00	0.0%	0.0%
154	Severe Head Injury3	0	30	160	1	367	0.0%	0.0%	0.0%	0.0%	(32)	$0	$0.00	-40	$0.00	(26)	$0.00	-33	$0.00	0.0%	0.0%
155	Major Head Injury3	0	1,510	3,879	105	9,347	1.0%	1.1%	1.0%	1.0%	(57)	$0	$0.00	-197	$0.00	(46)	$0.00	-160	$0.00	-0.1%	0.0%
157	Vertebral Fractures without Spinal Cord Injury	0.161	2,700	5,887	118	14,067	1.8%	1.7%	1.2%	1.6%	342	$100	$410,634.88	109	$131,134.57	277	$332,614.26	88	$106,219.00	0.1%	0.2%
158	Hip Fracture/Dislocation3	0	4,648	11,037	248	23,506	3.1%	3.2%	2.4%	2.6%	707	$0	$0.00	-209	$0.00	573	$0.00	-170	$0.00	-0.1%	0.5%
161	Traumatic Amputation	0.26	4	7	1	28	0.0%	0.0%	0.0%	0.0%	(1)	$162	($1,346.67)	1	$1,783.81	(1)	($1,090.80)	1	$1,444.88	0.0%	0.0%
164	Major Complications of Medical Care and Trauma	0.309	9,320	19,780	460	51,002	6.2%	5.8%	4.5%	5.7%	770	$192	$1,775,295.29	615	$1,417,876.29	624	$1,437,989.19	498	$1,148,479.79	0.4%	0.5%
174	Major Organ Transplant Status	0.92	620	1,143	34	4,814	0.4%	0.3%	0.3%	0.5%	(187)	$572	($1,284,186.47)	117	$803,091.38	(151)	($1,040,191.04)	95	$650,504.02	0.1%	-0.1%
176	Artificial Openings for Feeding or Elimination	0.841	4,149	8,721	339	36,654	2.8%	2.6%	3.3%	4.1%	(1,996)	$523	($12,526,477.99)	311	$1,951,318.20	(1,617)	($10,146,447.17)	252	$1,580,567.74	0.2%	-1.3%
177	Amputation Status, Lower Limb / AmputationComplications	0.26	3,514	6,093	264	18,662	2.3%	1.8%	2.6%	2.1%	385	$162	$747,887.58	832	$1,615,323.90	312	$605,788.94	674	$1,308,412.36	0.6%	0.3%
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PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2010 OSHPD DATA

Total Claims 157,666 355,261 10,724 912,961

National Factor $7,463
Readmission Rate 19.00%

HCC CAT(S)	HCC Desc	HCC Weight	Medicare Managed Care Claims – Kaiser Hospitals	Medicare Managed Care Claims – All Other CA Hospitals	Medicare Traditional Claims – Traditional - Kaiser	Medicare Traditional Claims – All CA Hospitals Excluding Kaiser Hospitals	Medicare Managed Occurrence Rate – Kaiser Managed Care	Medicare Managed Occurrence Rate – Rest of CA Managed Care	Medicare Traditional Occurrence Rate – Kaiser Traditional Care	Medicare Traditional Occurrence Rate – Rest of CA Traditional Care
15	Diabetes with Renal or Peripheral CirculatoryManifestation1	0.459	38,908	49,479	2,126	41,460	24.7%	13.9%	19.8%	4.5%
105	Vascular Disease	0.165	50,036	74,803	2,514	107,632	31.8%	21.1%	23.4%	11.8%
16	Diabetes with Neurologic or Other SpecifiedManifestation1	0.459	37,479	48,371	2,024	50,624	23.8%	13.6%	18.9%	5.5%
131	Renal Failure	0.388	85,789	163,661	5,976	381,317	54.5%	46.1%	55.7%	41.8%
71	Polyneuropathy	0.225	28,361	38,941	1,490	52,125	18.0%	11.0%	13.9%	5.7%
83	Angina Pectoris/Old Myocardial Infarction	0.29	32,307	50,614	1,615	68,732	20.5%	14.2%	15.1%	7.5%
80	Congestive Heart Failure	0.228	80,548	162,455	5,613	378,866	51.1%	45.7%	52.3%	41.5%
21	Protein-Calorie Malnutrition	0.374	24,050	36,515	1,665	77,253	15.3%	10.3%	15.5%	8.5%
55	Major Depressive, Bipolar, and Paranoid Disorders	0.293	17,120	24,313	934	53,333	10.9%	6.8%	8.7%	5.8%
18	Diabetes with Ophthalmologic or UnspecifiedManifestation1	0.459	12,399	14,593	755	13,604	7.9%	4.1%	7.0%	1.5%
148	Decubitus Ulcer of Skin	0.485	21,242	40,226	1,877	120,849	13.5%	11.3%	17.5%	13.2%
92	Specified Heart Arrhythmias	0.207	50,147	106,277	3,008	226,767	31.8%	29.9%	28.0%	24.8%
2	Septicemia/Shock	0.764	19,111	37,814	1,877	105,310	12.1%	10.6%	17.5%	11.5%
10	Breast, Prostate, Colorectal and Other Cancers andTumors	0.182	12,575	23,134	619	44,998	8.0%	6.5%	5.8%	4.9%
7	Metastatic Cancer and Acute Leukemia	0.624	11,891	21,747	643	52,756	7.5%	6.1%	6.0%	5.8%
119	Proliferative Diabetic Retinopathy and VitreousHemorrhage	0.497	3,678	3,777	249	537	2.3%	1.1%	2.3%	0.1%
100	Hemiplegia/Hemiparesis	0.039	8,452	15,131	741	36,498	5.4%	4.3%	6.9%	4.0%
130	Dialysis Status	1.718	7,572	13,362	821	47,809	4.8%	3.8%	7.7%	5.2%
38	Rheumatoid Arthritis and Inflammatory ConnectiveTissue Disease	0.215	8,745	16,214	525	36,365	5.6%	4.6%	4.9%	4.0%
149	Chronic Ulcer of Skin, Except Decubitus	0.241	5,101	8,883	361	22,442	3.2%	2.4%	3.4%	2.5%
164	Major Complications of Medical Care and Trauma	0.309	10,634	21,243	669	50,964	6.8%	6.0%	6.2%	5.6%
132	Nephritis	0.253	4,937	8,929	328	17,526	3.1%	2.5%	3.1%	1.9%
27	Chronic Hepatitis	0.384	2,800	4,217	284	13,909	1.8%	1.2%	2.6%	1.5%
9	Lymphatic, Head and Neck, Brain, and Other MajorCancers	0.368	5,229	9,965	257	23,456	3.3%	2.8%	2.4%	2.6%
177	Amputation Status, Lower Limb / AmputationComplications	0.26	3,662	6,489	320	19,212	2.3%	1.8%	3.0%	2.1%
104	Vascular Disease with Complications	0.482	6,013	11,946	395	26,819	3.8%	3.4%	3.7%	2.9%
32	Pancreatic Disease	0.309	3,976	7,520	347	19,557	2.5%	2.1%	3.2%	2.1%
52	Drug/Alcohol Dependence3	0	5,166	10,222	607	37,087	3.3%	2.9%	5.7%	4.1%
79	Cardio-Respiratory Failure and Shock	0.445	22,642	49,846	2,111	127,974	14.4%	14.0%	19.7%	14.0%
37	Bone/Joint/Muscle Infections/Necrosis	0.497	2,335	4,375	171	14,197	1.5%	1.2%	1.6%	1.6%
33	Inflammatory Bowel Disease	0.205	1,561	2,631	89	5,578	1.0%	0.7%	0.8%	0.6%
176	Artificial Openings for Feeding or Elimination	0.641	4,404	9,075	398	37,681	2.8%	2.6%	3.7%	4.1%
8	Lung, Upper Digestive Tract, and Other SevereCancers	0.47	5,272	11,034	262	26,248	3.3%	3.1%	2.4%	2.9%
51	Drug/Alcohol Psychosis3	0	2,118	3,944	229	13,765	1.3%	1.1%	2.1%	1.5%
26	Cirrhosis of Liver	0.384	3,302	6,648	337	22,203	2.1%	1.9%	3.1%	2.4%
25	End-Stage Liver Disease	0.654	2,840	5,617	291	18,589	1.8%	1.6%	2.7%	2.0%
74	Seizure Disorders and Convulsions	0.177	5,973	12,722	665	49,566	3.8%	3.6%	6.2%	5.4%
69	Spinal Cord Disorders/Injuries	0.225	1,152	1,929	90	6,007	0.7%	0.5%	0.8%	0.7%
77	Respirator Dependence/Tracheostomy Status	1.559	1,462	2,880	197	13,130	0.9%	0.8%	1.8%	1.4%
45	Disorders of Immunity	0.427	1,268	2,260	60	6,406	0.8%	0.6%	0.6%	0.7%
44	Severe Hematological Disorders	0.493	3,329	6,915	278	23,083	2.1%	1.9%	2.6%	2.5%
72	Multiple Sclerosis	0.145	775	1,423	80	4,311	0.5%	0.4%	0.7%	0.5%
73	Parkinson's and Huntington's Diseases	0.092	3,125	6,767	167	19,990	2.0%	1.9%	1.6%	2.2%
31	Intestinal Obstruction/Perforation	0.345	7,791	17,311	486	42,526	4.9%	4.9%	4.5%	4.7%
174	Major Organ Transplant Status	0.92	704	1,328	63	5,074	0.4%	0.4%	0.6%	0.6%
67	Quadriplegia, Other Extensive Paralysis	0.434	576	1,067	71	5,394	0.4%	0.3%	0.7%	0.6%
68	Paraplegia	0.434	663	1,299	62	6,118	0.4%	0.4%	0.6%	0.7%
17	Diabetes with Acute Complications1	0.459	644	1,272	85	3,804	0.4%	0.4%	0.8%	0.4%
1	HIV/AIDS	0.967	368	661	59	4,033	0.2%	0.2%	0.6%	0.4%
5	Opportunistic Infections	0.268	712	1,514	70	5,919	0.5%	0.4%	0.7%	0.6%
101	Cerebral Palsy and Other Paralytic Syndromes3	0	445	927	43	4,358	0.3%	0.3%	0.4%	0.5%
157	Vertebral Fractures without Spinal Cord Injury	0.161	2,701	6,023	161	14,379	1.7%	1.7%	1.5%	1.6%
70	Muscular Dystrophy3	0	87	164	6	500	0.1%	0.0%	0.1%	0.1%
107	Cystic Fibrosis	0.631	27	35	4	461	0.0%	0.0%	0.0%	0.1%
95	Cerebral Hemorrhage	0.179	1,631	3,664	160	7,499	1.0%	1.0%	1.5%	0.8%
112	Pneumococcal Pneumonia, Emphysema, LungAbscess	0.181	794	1,787	75	5,531	0.5%	0.5%	0.7%	0.6%
161	Traumatic Amputation	0.26	5	12	2	39	0.0%	0.0%	0.0%	0.0%
150	Extensive Third-Degree Burns3	0	5	16	0	63	0.0%	0.0%	0.0%	0.0%
78	Respiratory Arrest	1.235	64	170	8	598	0.0%	0.0%	0.1%	0.1%
154	Severe Head Injury3	0	19	115	8	334	0.0%	0.0%	0.1%	0.0%
96	Ischemic or Unspecified Stroke	0.179	4,963	11,549	499	23,112	3.2%	3.3%	4.7%	2.5%
54	Schizophrenia	0.351	1,015	2,645	239	38,966	0.6%	0.7%	2.2%	4.3%
155	Major Head Injury3	0	1,639	4,106	145	9,280	1.0%	1.2%	1.4%	1.0%
82	Unstable Angina and Other Acute Ischemic HeartDisease	0.424	3,558	8,503	238	18,864	2.3%	2.4%	2.2%	2.1%
111	Aspiration and Specified Bacterial Pneumonias	0.573	5,673	13,326	597	52,646	3.6%	3.8%	5.6%	5.8%
75	Coma, Brain Compression/Anoxic Damage3	0	1,338	3,629	278	12,225	0.8%	1.0%	2.6%	1.3%
158	Hip Fracture/Dislocation3	0	4,750	11,331	268	23,907	3.0%	3.2%	2.5%	2.6%
108	Chronic Obstructive Pulmonary Disease	0.359	31,258	71,328	1,983	202,176	19.8%	20.1%	18.5%	22.1%
81	Acute Myocardial Infarction	0.424	6,740	16,632	523	30,478	4.3%	4.7%	4.9%	3.3%
19	Diabetes without Complication1	0.248	27,585	80,981	2,570	274,966	17.5%	22.8%	24.0%	30.1%
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HCC CAT(S)	Gross Cases Coded Based on Comparison b/w Kaiser Managed care vs CA Traditional Care	Estimated Impact on PMPM – Amount	Estimated Add'l Annual Result in Gross Dollars for Kaiser Managed care vs CA Traditional Care	Gross Cases Coded Based on Comparison b/w Kaiser Managed care vs CA Managed Care	Estimated Add'l Annual Result in Gross Dollars for Kaiser Managed care vs CA Managed Care	Gross Cases Coded Based on Comparison b/w Kaiser Managed care vs CA Traditional Care (Adjusted for Readmission Rate)	Estimated Add'l Annual Result in Gross Dollars for Kaiser Managed care vs CA Traditional Care - (Adjusted for Readmission Rate)	Gross Cases Coded Based on Comparison b/w Kaiser Managed care vs CA Managed Care (Adjusted for Readmission Rate)	Estimated Add'l Annual Result in Gross Dollars for Kaiser Managed care vs CA Managed Care (Adjusted for Readmission Rate)	Difference in occurrence rate for Kaiser Managed Care vs CA Managed care	Difference in occurrence rate for Kaiser Managed Care vs CA Traditional care
15	31,755	$285	$108,776,630.25	16971	$58,136,094.57	25,721	$88,109,070.50	13747	$47,090,236.60	10.8%	20.2%
105	31,466	$103	$38,747,066.18	16872	$20,776,197.96	25,487	$31,385,123.61	13666	$16,828,720.35	10.7%	20.0%
16	28,745	$285	$98,465,526.37	16034	$54,923,754.04	23,283	$79,757,076.36	12987	$44,488,240.77	10.2%	18.3%
131	19,999	$241	$57,911,325.14	13230	$38,309,020.40	16,200	$46,908,173.36	10716	$31,030,306.53	8.4%	12.7%
71	19,368	$140	$32,521,839.39	11097	$18,632,971.67	15,688	$26,342,689.90	8988	$15,092,707.05	7.0%	12.3%
83	20,449	$180	$44,256,081.85	9867	$21,355,453.80	16,563	$35,847,426.30	7992	$17,297,917.58	6.3%	13.0%
80	15,181	$142	$25,832,021.52	8524	$14,503,381.91	12,297	$20,923,937.43	6904	$11,747,739.35	5.4%	9.6%
21	10,721	$233	$29,925,037.39	7861	$21,941,522.89	8,684	$24,239,280.29	6367	$17,772,633.54	5.0%	6.8%
55	7,918	$182	$17,314,686.55	6341	$13,865,230.82	6,414	$14,024,896.11	5136	$11,230,836.97	4.0%	5.0%
18	10,052	$285	$34,432,848.96	5929	$20,310,547.94	8,142	$27,890,607.65	4803	$16,451,543.83	3.8%	6.4%
148	392	$302	$1,417,533.77	3408	$12,334,715.41	317	$1,148,202.36	2760	$9,991,119.49	2.2%	0.2%
92	11,022	$129	$17,027,771.05	3029	$4,679,449.12	8,928	$13,792,494.55	2454	$3,790,353.78	1.9%	7.0%
2	942	$475	$5,368,825.05	2435	$13,882,744.28	763	$4,348,748.29	1972	$11,245,022.87	1.5%	0.6%
10	4,811	$113	$6,535,143.50	2319	$3,149,192.39	3,897	$5,293,466.23	1878	$2,550,845.84	1.5%	3.1%
7	2,789	$512	$17,150,255.54	2249	$13,833,114.27	2,259	$13,891,706.99	1822	$11,204,822.56	1.4%	1.8%
119	3,585	$309	$13,298,461.50	2003	$7,431,080.27	2,904	$10,771,753.82	1623	$6,019,175.02	1.3%	2.3%
100	2,155	$24	$627,202.36	1744	$507,507.25	1,745	$508,033.91	1412	$411,080.87	1.1%	1.4%
130	(677)	$1,068	($8,675,001.29)	1648	$21,129,158.57	(548)	($7,026,751.05)	1335	$17,114,618.44	1.0%	-0.4%
38	2,467	$134	$3,959,068.21	1557	$2,497,508.75	1,999	$3,206,845.25	1261	$2,022,982.08	1.0%	1.6%
149	1,229	$150	$2,210,508.67	1251	$2,250,730.72	996	$1,790,512.02	1014	$1,823,091.88	0.8%	0.8%
164	1,841	$192	$4,245,604.93	1216	$2,803,978.73	1,491	$3,438,939.99	985	$2,271,222.77	0.8%	1.2%
132	1,913	$157	$3,612,382.19	978	$1,847,217.28	1,550	$2,926,029.57	792	$1,496,245.99	0.6%	1.2%
27	400	$239	$1,147,024.24	930	$2,666,311.75	324	$929,089.63	754	$2,159,712.51	0.6%	0.3%
9	1,182	$229	$3,246,445.70	802	$2,203,009.86	957	$2,629,621.02	650	$1,784,437.99	0.5%	0.8%
177	347	$162	$673,908.61	785	$1,523,394.66	281	$545,865.97	636	$1,233,949.68	0.5%	0.2%
104	1,386	$300	$4,985,145.37	717	$2,578,231.68	1,123	$4,037,967.75	581	$2,088,367.66	0.5%	0.9%
32	602	$192	$1,387,753.91	642	$1,480,511.72	487	$1,124,080.67	520	$1,199,214.50	0.4%	0.4%
52	(1,233)	$0	$0.00	634	$0.00	(998)	$0.00	514	$0.00	0.4%	-0.8%
79	562	$277	$1,867,546.54	543	$1,802,561.15	455	$1,512,712.70	440	$1,460,074.53	0.3%	0.4%
37	(114)	$309	($424,479.84)	395	$1,466,372.22	(93)	($343,828.67)	320	$1,187,761.50	0.3%	-0.1%
33	599	$127	$915,828.96	395	$603,621.67	485	$741,821.46	320	$488,933.55	0.3%	0.4%
176	(2,097)	$523	($13,162,788.65)	381	$2,388,777.81	(1,699)	($10,661,858.81)	308	$1,934,910.02	0.2%	-1.3%
8	743	$292	$2,607,450.57	380	$1,333,154.85	602	$2,112,034.96	308	$1,079,855.42	0.2%	0.5%
51	(260)	$0	$0.00	369	$0.00	(211)	$0.00	299	$0.00	0.2%	-0.2%
26	(529)	$239	($1,515,249.88)	355	$1,016,234.30	(428)	($1,227,352.40)	287	$823,149.78	0.2%	-0.3%
25	(367)	$407	($1,792,253.79)	350	$1,706,828.59	(297)	($1,451,725.57)	283	$1,382,531.16	0.2%	-0.2%
74	(2,579)	$110	($3,406,390.39)	333	$439,480.43	(2,089)	($2,759,176.21)	269	$355,979.15	0.2%	-1.6%
69	116	$140	$194,109.06	297	$498,341.62	94	$157,228.34	240	$403,656.71	0.2%	0.1%
77	(803)	$970	($9,346,834.95)	274	$3,185,865.73	(651)	($7,570,936.31)	222	$2,580,551.24	0.2%	-0.5%
45	163	$266	$518,659.33	266	$847,754.16	132	$420,114.05	215	$686,680.87	0.2%	0.1%
44	(654)	$307	($2,404,636.29)	263	$968,506.27	(529)	($1,947,755.40)	213	$784,490.08	0.2%	-0.4%
72	31	$90	$33,776.49	144	$155,949.51	25	$27,358.96	117	$126,319.11	0.1%	0.0%
73	(324)	$57	($222,404.01)	125	$85,721.42	(262)	($180,147.25)	101	$69,434.35	0.1%	-0.2%
31	454	$215	$1,168,639.21	116	$299,097.73	368	$946,597.76	94	$242,269.16	0.1%	0.3%
174	(171)	$572	($1,177,027.37)	115	$791,171.89	(139)	($953,392.17)	93	$640,849.23	0.1%	-0.1%
67	(355)	$270	($1,148,657.62)	103	$333,434.32	(287)	($930,412.67)	83	$270,081.80	0.1%	-0.2%
68	(393)	$270	($1,271,457.11)	87	$282,073.69	(318)	($1,029,880.26)	71	$228,479.69	0.1%	-0.2%
17	(12)	$285	($42,179.24)	80	$274,242.34	(10)	($34,165.18)	65	$222,136.30	0.1%	0.0%
1	(328)	$601	($2,365,808.33)	75	$540,861.37	(266)	($1,916,304.75)	61	$438,097.71	0.0%	-0.2%
5	(309)	$179	($664,618.59)	41	$87,624.34	(250)	($538,341.06)	33	$70,975.72	0.0%	-0.2%
101	(307)	$0	$0.00	34	$0.00	(249)	$0.00	28	$0.00	0.0%	-0.2%
157	220	$100	$264,527.66	31	$36,890.19	178	$214,267.40	25	$29,881.05	0.0%	0.1%
70	1	$0	$0.00	14	$0.00	1	$0.00	12	$0.00	0.0%	0.0%
107	(53)	$392	($247,406.83)	11	$54,074.01	(43)	($200,399.53)	9	$43,799.95	0.0%	0.0%
95	337	$111	$450,430.39	7	$8,770.34	273	$364,848.61	5	$7,103.98	0.0%	0.2%
112	(160)	$113	($216,502.25)	2	$2,341.44	(130)	($175,366.82)	1	$1,896.57	0.0%	-0.1%
161	(2)	$162	($3,354.46)	0	($621.31)	(1)	($2,717.11)	0	($503.26)	0.0%	0.0%
150	(6)	$0	$0.00	-2	$0.00	(5)	$0.00	-2	$0.00	0.0%	0.0%
78	(39)	$768	($361,062.57)	-11	($104,790.62)	(32)	($292,460.69)	-9	($84,880.40)	0.0%	0.0%
154	(39)	$0	$0.00	-32	$0.00	(31)	$0.00	-26	$0.00	0.0%	0.0%
96	975	$111	$1,303,056.08	-157	($210,067.07)	790	$1,055,475.43	-127	($170,154.33)	-0.1%	0.6%
54	(5,708)	$218	($14,951,911.64)	-158	($412,995.08)	(4,623)	($12,111,048.43)	-128	($334,526.01)	-0.1%	-3.6%
155	38	$0	$0.00	-181	$0.00	31	$0.00	-147	$0.00	-0.1%	0.0%
82	300	$264	$948,971.37	-212	($670,219.96)	243	$768,666.81	-172	($542,878.17)	-0.1%	0.2%
111	(3,410)	$356	($14,582,781.27)	-235	($1,005,287.07)	(2,762)	($11,812,052.83)	-190	($814,282.52)	-0.1%	-2.2%
75	(771)	$0	$0.00	-271	$0.00	(625)	$0.00	-219	$0.00	-0.2%	-0.5%
158	625	$0	$0.00	-274	$0.00	506	$0.00	-222	$0.00	-0.2%	0.4%
108	(3,624)	$223	($9,709,242.33)	-365	($978,653.56)	(2,935)	($7,864,486.29)	-296	($792,709.38)	-0.2%	-2.3%
81	1,482	$264	$4,688,110.27	-634	($2,005,537.37)	1,200	$3,797,369.32	-513	($1,624,485.27)	-0.4%	0.9%
19	(19,856)	$154	($36,749,116.91)	-8318	($15,395,032.76)	(16,083)	($29,766,784.69)	-6738	($12,469,976.53)	-5.3%	-12.6%
			[illegible]		[illegible]		[illegible]		[illegible]		

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2011 OSHPD DATA

	Total Claims	153,905	369,770	12,335	918,659							National Factor	$6,836										
												Readmission Rate	19.00%										
HCC CATEGORY	HCC Description	HCC Weight	Kaiser Readmit Claims Flagged as Principal Diagnosis	Kaiser Readmit Claims Flagged as All Claims	Kaiser Readmit Claims Flagged as All Discharges	Kaiser Readmit Claims Flagged as All Readmits	Kaiser Readmit Claims Flagged as All Readmits	Kaiser Readmit Claims Flagged as Principal Diagnosis	Kaiser Readmit Claims Flagged as All Claims	Kaiser Readmit Claims Flagged as All Discharges	Kaiser Readmit Claims Flagged as All Readmits	Expected Claims Flagged as Principal Diagnosis	Expected Claims Flagged as All Claims	Expected Readmit Claims Flagged as All Discharges	Expected Readmit Claims Flagged as All Readmits	Excess Claims Flagged as Principal Diagnosis	Excess Claims Flagged as All Claims	Expected Readmit Claims Flagged as All Discharges	Expected Readmit Claims Flagged as All Readmits	Excess Claims Flagged as Principal Diagnosis	Excess Claims Flagged as All Claims	Expected Readmit Claims Flagged as All Discharges	Expected Readmit Claims Flagged as All Readmits	Difference in Unexpected Readmit Claims as % of Discharges	Difference in Unexpected Readmit Claims as % of Readmits
105	Vascular Disease	0.165	55,963	61,376	3,006	110,412	36.37%	23.33%	25.10%	12.03%	37,158	$110	$49,255,193.13	19753	$26,187,686.77	30,094	$39,886,706.43	16900	$23,212,026.28	12.83%	24.34%
19	Diabetes with Renal or Peripheral CirculatoryManifestation1	0.459	40,455	52,000	4	44,001	26.29%	14.85%	0.03%	4.79%	53,057	$307	$137,910,475.27	17473	$64,440,101.52	26,776	$98,747,484.97	14151	$52,196,481.25	11.35%	21.45%
16	Diabetes with Neurologic or Other SpecifiedManifestation1	0.459	39,402	51,037	1	52,076	25.60%	14.63%	0.01%	5.67%	50,972	$307	$133,115,838.35	16880	$62,253,860.08	24,844	$91,623,839.06	13672	$50,425,626.67	10.97%	19.93%
131	Renal Failure	0.368	66,388	170,149	8,029	402,914	57.43%	48.79%	48.88%	43.89%	20,543	$260	$64,976,749.82	13305	$41,477,154.57	16,883	$52,631,167.36	10777	$33,596,495.20	8.64%	13.54%
71	Polyneuropathy	0.225	28,284	41,071	1,887	55,383	19.03%	11.78%	15.30%	6.03%	20,063	$151	$36,161,348.78	11160	$20,175,546.73	16,202	$28,290,692.51	9040	$16,342,192.85	7.25%	13.00%
83	Angina Pectoris/Old Myocardial Infarction	0.29	31,517	49,392	2,056	68,325	20.48%	14.16%	16.67%	7.44%	20,063	$184	$46,747,829.57	9721	$22,651,339.96	16,251	$37,865,741.95	7874	$18,347,585.38	6.32%	13.04%
21	Protein-Calorie Malnutrition	0.374	26,466	39,850	2,075	60,690	17.18%	11.37%	16.82%	8.79%	15,878	$250	$58,698,118.37	8908	$26,768,187.86	10,431	$31,929,475.88	7216	$21,683,550.27	5.79%	8.57%
80	Congestive Heart Failure	0.225	31,878	165,851	612	394,750	53.07%	47.50%	4.96%	43.00%	19,498	$153	$28,390,543.27	8578	$15,713,486.54	12,553	$22,996,340.45	6948	$12,727,924.10	5.57%	10.07%
55	Major Depressive, Bipolar, and Paranoid Disorders	0.293	19,118	28,170	1,173	55,453	12.42%	8.08%	9.51%	6.04%	9,820	$196	$23,117,391.96	6685	$15,728,084.78	7,954	$18,725,087.49	5415	$12,747,783.67	4.34%	6.58%
18	Diabetes with Ophthalmologic or UnspecifiedManifestation1	0.459	12,464	14,821	0	13,918	8.06%	4.25%	0.00%	1.52%	10,071	$307	$37,140,285.76	5864	$21,625,290.25	8,157	$30,083,631.47	4750	$17,526,485.10	3.81%	6.54%
2	Septicemia/Shock	0.784	23,556	43,013	2,494	113,076	15.56%	12.33%	20.22%	12.38%	8,800	$512	$79,462,897.83	4875	$28,926,619.28	3,888	$23,867,377.26	3949	$24,240,723.62	3.17%	5.12%
92	Specified Heart Arrhythmias	0.207	50,642	105,563	0	236,544	32.90%	30.27%	0.00%	25.66%	11,155	$139	$18,552,821.84	4059	$6,751,246.41	9,036	$15,027,785.69	3288	$5,468,509.59	2.64%	7.25%
148	Decubitus Ulcer of Skin	0.485	20,877	36,078	2,126	118,396	13.43%	10.92%	17.24%	12.90%	829	$325	$3,230,045.49	3874	$15,096,199.07	671	$2,616,336.85	3138	$12,227,921.28	2.51%	0.54%
7	Metastatic Cancer and Acute Leukemia	0.824	12,502	22,329	858	53,023	8.12%	6.40%	6.96%	5.78%	5,613	$952	$23,921,108.78	2649	$17,538,730.89	2,927	$19,376,098.08	2166	$14,206,372.02	1.72%	2.35%
10	Breast, Prostate, Colorectal and Other Cancers and Tumors	0.182	12,057	27,606	795	49,146	7.83%	6.48%	6.45%	4.92%	4,490	$122	$6,565,295.83	2080	$3,041,784.14	3,637	$5,317,889.83	1685	$2,463,848.39	1.35%	2.92%
17	Proliferative Diabetic Retinopathy and VitreousHemorrhage	0.487	3,557	3,648	0	628	2.31%	1.05%	0.00%	0.07%	3,452	$333	$13,783,587.86	1947	$7,775,709.69	2,796	$11,164,706.16	1577	$6,298,324.85	1.27%	2.74%
9	Cardio-Respiratory Failure and Shock	0.445	28,043	54,844	2,517	137,950	16.92%	15.67%	20.41%	15.03%	2,917	$258	$10,426,943.68	1930	$6,899,648.58	2,363	$8,447,444.18	1563	$5,583,715.68	1.25%	1.80%
170	HemiplegiaHemiparesis	0.030	8,248	14,923	215	37,076	5.36%	4.28%	1.74%	4.04%	3,004	$26	$637,209.48	1684	$521,354.18	1,647	$516,139.68	1348	$422,296.88	1.08%	1.32%
134	Dialysis Status	1.118	7,761	13,885	1,025	51,060	5.04%	3.95%	8.33%	5.57%	(804)	$1,150	($11,095,580.67)	1634	$2,592,873.04	4,451	($8,987,420.33)	1323	$18,267,827.16	1.06%	-0.53%
40	Rheumatoid Arthritis and Inflammatory ConnectiveTissue Disease	0.215	8,594	16,058	816	37,701	5.58%	4.60%	4.99%	4.11%	2,274	$144	$3,927,799.36	1508	$2,604,903.37	1,842	$3,181,517.49	1221	$2,109,971.73	0.98%	1.48%
1	Major Complications of Medical Care and Trauma	0.309	10,602	20,613	828	48,613	6.89%	5.91%	6.71%	5.31%	2,459	$207	$6,005,474.67	1506	$3,738,757.75	1,959	$4,864,434.61	1220	$3,028,393.28	0.98%	1.57%
35	Chronic Ulcer of Skin, Except Decubitus	0.241	5,136	8,773	465	22,709	3.34%	2.52%	4.00%	2.47%	3,328	$161	$2,571,589.20	1264	$2,447,754.32	1,076	$2,082,946.75	1024	$1,982,681.00	0.82%	0.86%
34	Chronic Hepatitis	0.384	2,922	4,452	12	14,484	1.90%	1.28%	0.10%	1.58%	494	$257	$1,523,773.37	957	$2,953,968.67	400	$1,234,256.43	776	$2,392,714.65	0.62%	0.32%
11	Lymphatic, Head and Neck, Brain, and Other MajorCancers	0.369	5,289	10,071	300	24,148	3.44%	2.89%	2.43%	2.63%	1,241	$246	$3,668,231.58	845	$2,498,105.70	1,005	$2,971,267.58	684	$2,022,365.62	0.55%	0.81%
104	Vascular Disease with Complications	0.462	6,224	12,256	466	27,561	4.04%	3.51%	3.96%	3.00%	1,614	$323	$6,248,365.71	816	$3,158,909.55	1,507	$5,061,888.23	661	$2,558,716.73	0.53%	1.05%
132	Nephritis	0.253	4,983	8,750	35	18,035	3.03%	2.51%	0.27%	1.96%	1,639	$169	$3,330,878.13	801	$1,627,863.03	1,527	$2,698,011.28	649	$1,318,569.06	0.52%	1.06%
122	Amputation Status, Lower Limb / AmputationComplications	0.26	3,578	6,563	411	20,677	2.32%	1.88%	3.33%	2.25%	112	$174	$233,285.40	682	$1,424,471.63	90	$188,961.17	552	$1,153,822.07	0.44%	0.07%
108	Lung, Upper Digestive Tract, and Other SevereCancers	0.47	8,362	10,805	372	28,583	3.48%	3.10%	3.02%	2.90%	898	$315	$3,581,990.50	584	$2,205,278.79	725	$2,739,412.81	473	$1,786,275.82	0.38%	0.58%
54	Drug/Alcohol Dependence3	0	5,558	11,283	540	40,034	3.61%	3.24%	4.38%	4.36%	(1,153)	$0	$0.00	579	$0.00	(934)	$0.00	469	$0.00	0.38%	-0.75%
52	Pancreatic Disease	0.309	4,057	7,859	404	20,027	2.64%	2.26%	3.28%	2.18%	700	$207	$1,737,611.64	576	$1,429,422.15	567	$1,406,979.43	466	$1,157,831.84	0.37%	0.45%
39	BoneJoint/Muscle Infections/Necrosis	0.467	2,564	4,844	199	15,186	1.68%	1.39%	1.61%	1.65%	38	$333	$151,174.05	446	$1,782,758.15	31	$122,450.98	362	$1,444,034.10	0.29%	0.02%
33	Intestinal Obstruction/Perforation	0.345	7,999	17,229	570	43,241	5.20%	4.94%	4.62%	4.71%	790	$231	$2,078,892.04	396	$1,098,151.00	604	$1,683,983.55	321	$889,583.31	0.26%	0.49%
178	Artificial Openings for Feeding or Elimination	0.841	4,262	8,647	441	38,521	2.79%	2.54%	5.58%	4.30%	(2,333)	$563	($15,767,019.28)	388	$2,621,800.73	(1,890)	($12,771,285.62)	314	$2,123,658.57	0.25%	-1.52%
36	End-Stage Liver Disease	0.654	3,206	6,419	224	20,772	2.08%	1.84%	1.82%	2.26%	(376)	$438	($1,451,632.18)	375	$1,969,207.73	(224)	($1,175,822.07)	304	$1,595,058.26	0.24%	-0.18%
33	Inflammatory Bowel Disease	0.205	1,564	2,749	4	5,964	1.02%	0.78%	0.03%	0.65%	561	$137	$923,754.91	351	$578,010.85	454	$744,241.48	284	$468,188.77	0.23%	0.56%
51	Drug/Alcohol Psychosis3	0	2,045	3,879	0	14,010	1.33%	1.11%	0.00%	1.53%	(304)	$0	$0.00	333	$0.00	(246)	$0.00	270	$0.00	0.22%	-0.20%
148	Spinal Cord Disorders/Injuries	0.225	1,229	2,049	91	8,074	0.80%	0.59%	0.74%	0.96%	211	$151	$380,985.28	327	$590,401.24	171	$308,598.08	265	$478,225.60	0.21%	0.14%
48	Disorders of Immunity	0.427	1,306	2,576	67	7,172	0.87%	0.68%	0.54%	0.78%	134	$286	$456,609.89	286	$981,888.75	108	$371,474.03	232	$795,329.87	0.19%	0.09%
27	Cirrhosis of Liver	0.384	3,446	7,175	362	23,924	2.24%	2.06%	2.93%	2.61%	(565)	$297	($1,742,166.06)	289	$863,538.64	(457)	($1,411,152.89)	227	$699,304.30	0.18%	-0.37%
79	Seizure Disorders and Convulsions	0.177	5,818	12,709	755	50,966	3.78%	3.64%	6.12%	5.55%	(1,725)	$119	($3,875,373.66)	210	$298,338.30	(2,201)	($3,139,053.67)	170	$241,654.02	0.14%	-1.77%
44	Severe Hematological Disorders	0.483	2,840	6,090	219	20,356	1.85%	1.73%	1.78%	2.12%	(573)	$336	($2,269,324.48)	197	$779,296.01	(464)	($1,837,990.81)	159	$631,228.37	0.13%	-0.37%
174	Major Organ Transplant Status	0.92	785	1,281	70	5,030	0.49%	0.37%	0.57%	0.55%	(84)	$616	($617,767.44)	155	$1,439,365.72	(58)	($550,391.63)	138	$1,165,886.24	0.13%	-0.05%
72	Multiple Sclerosis	0.145	829	1,445	80	4,677	0.54%	0.41%	0.65%	0.51%	45	$97	$52,356.14	191	$222,930.61	36	$42,408.48	155	$180,573.79	0.12%	0.03%
68	Paraplegia	0.434	722	1,289	69	6,157	0.47%	0.37%	0.56%	0.67%	(310)	$291	($1,081,583.17)	153	$534,186.58	(251)	($876,082.36)	124	$432,691.10	0.10%	-0.20%
73	Parkinson's and Huntington's Diseases	0.092	2,799	6,084	5	20,621	1.81%	1.74%	0.06%	2.18%	(520)	$60	($421,602.68)	101	$74,848.07	(462)	($341,458.17)	82	$60,626.93	0.07%	-0.37%
77	Respirator Dependence/Tracheostomy Status	1.559	1,290	2,718	196	13,926	0.84%	0.78%	1.61%	1.52%	(1,045)	$1,044	($13,090,811.03)	91	$1,145,854.93	(847)	($10,605,556.92)	74	$928,223.47	0.06%	-0.68%
1	HIV/AIDS	0.967	382	686	74	3,860	0.25%	0.19%	0.60%	0.42%	(265)	$647	($2,059,688.90)	81	$708,560.25	(215)	($1,668,348.01)	74	$573,933.80	0.06%	-0.17%
17	Diabetes with Acute Complications1	0.459	718	1,430	1	4,225	0.47%	0.41%	0.01%	0.46%	8	$307	$28,647.55	82	$303,601.06	6	$23,080.30	67	$245,916.86	0.05%	0.01%
82	Unstable Angina and Other Acute Ischemic HeartDisease	0.424	3,757	8,370	345	18,515	2.44%	2.40%	1.80%	2.02%	648	$284	$2,207,838.79	58	$199,263.06	525	$1,788,430.42	47	$161,404.70	0.04%	0.42%
67	Quadriplegia, Other Extensive Paralysis	0.434	556	1,130	77	5,852	0.36%	0.32%	0.62%	0.64%	(425)	$291	($1,482,139.69)	57	$199,998.23	(344)	($1,200,533.15)	46	$161,998.57	0.04%	-0.28%
112	Pneumococcal Pneumonia, Emphysema, LungAbscess	0.181	834	1,786	35	5,543	0.54%	0.51%	0.28%	0.60%	(95)	$121	($138,503.13)	46	$66,715.32	(72)	($112,187.53)	37	$54,039.41	0.03%	-0.06%
101	Cerebral Palsy and Other Paralytic Syndromes3	0	425	813	59	4,469	0.28%	0.25%	0.48%	0.49%	(328)	$0	$0.00	22	$0.00	(265)	$0.00	18	$0.00	0.01%	-0.21%
157	Vertebral Fractures without Spinal Cord Injury	0.161	2,633	5,853	196	14,910	1.71%	1.71%	1.59%	1.62%	133	$108	$172,644.51	6	$7,844.13	108	$139,842.19	5	$6,353.91	0.00%	0.09%
107	Cystic Fibrosis	0.651	24	41	0	526	0.02%	0.01%	0.00%	0.06%	(64)	$422	($325,384.03)	6	$29,950.68	(52)	($263,561.07)	5	$24,260.65	0.00%	-0.04%
95	Cerebral Hemorrhage	0.178	1,737	3,928	13	7,960	1.13%	1.13%	0.11%	0.87%	399	$126	$574,161.97	5	$7,160.20	323	$465,071.20	4	$5,799.76	0.00%	0.26%
70	Muscular Dystrophy3	0	89	147	0	463	0.04%	0.04%	0.00%	0.05%	(14)	$0	$0.00	1	$0.00	(12)	$0.00	1	$0.00	0.00%	-0.01%
181	Traumatic Amputation	0.26	3	9	0	36	0.00%	0.00%	0.00%	0.00%	(3)	$174	($6,340.40)	-1	($2,029.52)	(2)	($5,135.73)	-1	($1,643.93)	0.00%	0.00%
150	Extensive Third-Degree Burns3	0	3	15	0	71	0.00%	0.00%	0.00%	0.01%	(7)	$0	$0.00	-2	$0.00	(6)	$0.00	-1	$0.00	0.00%	0.00%
76	Respiratory Arrest	1.235	60	165	16	516	0.04%	0.05%	0.13%	0.06%	(24)	$837	($233,218.46)	-10	($97,394.17)	(19)	($184,906.95)	-8	($76,856.68)	-0.01%	-0.02%
5	Opportunistic Infections	0.268	677	1,567	40	6,038	0.44%	0.45%	0.32%	0.66%	(335)	$195	($774,535.93)	-14	($35,547.65)	(273)	($627,374.10)	-12	($29,149.30)	-0.01%	-0.22%
154	Severe Head Injury3	0	33	156	7	362	0.02%	0.04%	0.06%	0.04%	(26)	$0	$0.00	-36	$0.00	(21)	$0.00	-29	$0.00	-0.02%	-0.02%
75	Coma, Brain Compression/Anoxic Damage3	0	1,822	4,364	204	13,915	1.18%	1.26%	1.65%	1.48%	(460)	$0	$0.00	-157	$0.00	(373)	$0.00	-95	$0.00	-0.08%	-0.30%
158	Major Head Injury3	0	1,845	4,336	161	9,956	1.20%	1.30%	1.31%	1.08%	176	$0	$0.00	-154	$0.00	143	$0.00	-128	$0.00	-0.10%	0.11%
96	Ischemic or Unspecified Stroke	0.179	4,873	11,404	0	24,241	3.17%	3.27%	0.00%	2.64%	809	$120	$1,163,797.45	-155	($129,178.89)	655	$942,675.91	-129	($185,634.90)	-0.10%	0.53%
158	Hip Fracture/Dislocation3	0	4,837	11,406	208	24,054	3.34%	3.37%	1.69%	2.62%	803	$0	$0.00	-196	$0.00	650	$0.00	-159	$0.00	-0.13%	0.52%
111	Aspiration and Specified Bacterial Pneumonias	0.573	5,817	13,648	0	54,450	3.78%	3.91%	0.00%	5.93%	(3,331)	$384	($15,347,950.68)	-205	($942,407.08)	(2,682)	($12,347,559.53)	-166	($763,349.74)	-0.13%	-2.35%
54	Schizophrenia	0.351	1,054	3,038	146	40,298	0.67%	0.87%	1.18%	4.39%	(5,722)	$235	($36,136,034.93)	-306	($862,198.03)	(4,635)	($33,670,188.28)	-248	($698,380.40)	-0.26%	-3.73%
81	Acute Myocardial Infarction	0.424	6,799	16,754	590	31,189	4.42%	4.80%	4.78%	3.40%	1,570	$284	$5,349,963.55	-594	($2,024,255.79)	1,272	$4,333,486.68	-481	($1,639,643.95)	-0.39%	1.02%
108	Chronic Obstructive Pulmonary Disease	0.358	30,000	70,115	0	205,017	19.49%	20.39%	0.00%	22.33%	(4,369)	$246	($17,603,377.21)	-940	($2,712,263.90)	(3,539)	($13,208,735.54)	-762	($2,196,933.76)	-0.61%	2.84%
18	Diabetes without Complication1	0.249	28,183	60,853	2,796	264,527	17.01%	23.12%	22.68%	30.99%	(21,218)	$166	($42,872,156.06)	-8399	($18,727,881.68)	(17,474)	($34,726,648.41)	-7513	($15,308,564.33)	-6.11%	-13.96%
			788,481	1,566,888	68,747	$4,574,000							$399,992,344.38		$247,996,665.10		$366,975,398.36		$226,993,481.49		

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2012 OSHPD DATA

		Total Claims	146,567	343,865	11,638	903,188	National Factor	$6,035
							Readmission Rate	18.40%

HCC CATEGORY	HCC Base	HCC Weight	Kaiser Discharges (Severity)	CA Discharges	Transfers - Kaiser	All CA Transfers (Excluding Kaiser Transfers)	Kaiser Standard Case Mix	CA Standard Case Mix	Kaiser Transfer Case Mix	CA Transfer Case Mix	Kaiser Standard Case Payment	Kaiser Transfer Case Payment	Kaiser Annual Payment for HCC Base	CA Annual Payment for HCC Base	Kaiser Annual Payment for Transfers	CA Annual Payment for Transfers	Kaiser Annual Payment for Standard Case Payment and Transfers	CA Annual Payment for Standard Case Payment and Transfers	Kaiser Annual Payment for Standard Case Payment, Transfers and HCC Base	CA Annual Payment for Standard Case Payment, Transfers and HCC Base	Difference in Annual Payments for Standard Case Payment and CA Standard Case Payment	Difference in Annual Payments for Standard Case Payment, Transfers and HCC Base vs. CA Standard Case Payment, Transfers and HCC Base
18	Diabetes with Chronic Complications	0.434	98,197	128,137	8,697	123,212	67.0%	37.3%	57.5%	13.6%	78,202	$291	$272,697,058.34	43581	$151,968,476.22	63,813	$222,520,795.53	35562	$124,006,276.68	29.7%	53.4%
108	Vascular Disease	0.146	70,878	97,245	3,919	109,007	48.4%	28.3%	33.7%	12.1%	53,189	$98	$82,393,858.80	29429	$34,527,046.02	43,402	$50,913,388.78	24014	$28,169,999.55	10.3%	36.3%
136	Chronic Kidney Disease, Moderate (Stage 3)	0.304	33,815	51,547	1,624	52,485	23.1%	15.0%	14.0%	5.8%	25,298	$204	$61,781,360.58	11844	$28,929,362.13	20,643	$50,421,750.23	9665	$23,606,359.50	8.1%	17.3%
2	Septicemia, Sepsis, Systemic Inflammatory Response Syndrome/Shock	0.471	47,273	83,400	4,804	209,267	32.3%	24.3%	41.3%	22.8%	13,801	$315	$52,226,004.73	11725	$44,371,762.66	11,261	$42,616,419.86	9568	$36,207,358.33	8.0%	9.4%
78	Polyneuropathy	0.258	28,719	41,586	1,852	66,993	19.6%	12.1%	15.9%	6.3%	19,470	$171	$40,048,232.52	10994	$22,612,635.57	15,888	$32,679,357.73	8971	$18,451,910.63	7.5%	13.3%
21	Protein-Calorie Malnutrition	0.343	27,614	41,344	2,233	60,770	18.8%	12.0%	19.2%	8.9%	14,507	$293	$39,879,520.36	8992	$27,585,390.80	11,838	$32,623,285.61	8153	$22,469,594.89	6.8%	9.9%
139	Chronic Kidney Disease, Mild or Unspecified (Stages 1-2 or Unspecified)	0.304	67,309	113,074	3,430	214,913	39.1%	32.9%	29.5%	23.8%	22,438	$204	$34,794,931.05	9113	$22,258,979.05	18,306	$44,712,663.74	7436	$18,163,326.91	6.2%	15.3%
85	Congestive Heart Failure	0.226	75,516	159,261	6,217	385,824	51.5%	46.3%	53.4%	42.7%	12,940	$151	$23,436,918.46	7636	$13,864,927.24	10,559	$19,173,485.46	6231	$11,313,780.63	5.2%	8.8%
58	Major Depressive, Bipolar, and Paranoid Disorders	0.274	19,979	31,216	1,107	66,904	13.6%	9.1%	9.5%	6.3%	10,745	$183	$23,656,717.48	6674	$14,692,166.55	8,768	$19,302,249.46	5446	$11,988,807.91	4.6%	7.3%
96	Specified Heart Arrhythmias	0.227	48,833	104,932	3,506	234,451	33.3%	30.5%	30.1%	26.0%	10,787	$152	$18,674,004.74	4107	$7,491,401.30	6,902	$18,053,987.87	3352	$6,112,983.46	2.8%	7.4%
23	Other Significant Endocrine and Metabolic Disorders	0.248	10,612	15,587	913	33,287	7.2%	4.5%	7.8%	3.7%	5,210	$168	$10,382,030.48	3968	$7,807,242.88	4,252	$8,471,736.67	3238	$8,452,311.01	2.7%	3.6%
88	Angina Pectoris	0.366	7,798	9,874	438	7,548	5.3%	2.9%	3.8%	0.8%	6,573	$245	$19,330,583.73	3589	$10,555,257.08	5,364	$15,773,756.33	2929	$8,613,089.78	2.4%	4.5%
160	Pressure Pre-Ulcer Skin Changes or Unspecified Stage	0.284	13,178	24,186	1,296	71,101	9.0%	7.0%	11.1%	7.9%	1,640	$190	$3,742,051.68	2869	$6,546,880.65	1,338	$3,059,514.17	2341	$5,342,254.61	2.0%	1.1%
136	Chronic Kidney Disease, Stage 5	0.304	16,882	33,811	2,360	124,346	11.5%	9.8%	20.3%	13.8%	(3,297)	$204	($8,051,983.35)	1471	$6,034,563.06	(2,690)	($6,570,418.42)	2016	$4,924,203.46	1.7%	-2.2%
22	Morbid Obesity	0.353	13,826	28,439	1,064	69,317	9.3%	7.7%	9.4%	7.2%	3,007	$236	$8,581,995.42	2359	$6,849,303.83	2,470	$7,094,540.26	1925	$5,458,471.92	1.6%	2.1%
9	Metastatic Cancer and Acute Leukemia	0.926	10,526	20,264	784	52,073	7.2%	5.9%	6.7%	5.8%	2,076	$621	$15,477,072.93	1889	$14,083,228.01	1,694	$12,629,291.51	1541	$11,491,914.08	1.3%	1.4%
48	Coagulation Defects and Other Specified Hematological Disorders	0.197	12,548	25,049	1,230	66,268	8.6%	7.3%	10.6%	7.3%	1,792	$132	$2,836,764.06	1869	$2,958,737.44	1,462	$2,814,799.47	1525	$2,414,329.75	1.3%	1.2%
122	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	0.366	3,275	3,366	294	661	2.2%	1.0%	2.5%	0.1%	3,168	$245	$9,315,369.48	1833	$5,386,696.72	2,585	$7,601,341.50	1495	$4,395,544.52	1.2%	2.2%
103	Hemiplegia/Hemiparesis	0.063	7,910	14,752	625	35,649	5.4%	4.3%	7.1%	4.9%	2,093	$42	$1,059,204.59	1622	$821,133.11	1,707	$864,310.95	1324	$670,044.62	1.1%	1.4%
82	Breast, Prostate, and Other Cancers and Tumors	0.165	7,556	14,071	515	28,850	5.2%	4.1%	4.4%	3.2%	2,874	$116	$3,810,533.60	1558	$2,066,092.10	2,343	$3,109,335.42	1272	$1,685,591.15	1.1%	2.0%
40	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	0.222	8,506	16,325	568	38,828	5.8%	4.7%	4.9%	4.3%	2,207	$149	$3,936,804.42	1550	$2,764,258.16	1,801	$3,212,432.40	1265	$2,255,634.66	1.1%	1.5%
84	Cardio-Respiratory Failure and Shock	0.346	20,776	45,117	2,234	114,380	14.2%	13.1%	19.2%	12.7%	2,215	$232	$6,156,918.06	1546	$4,296,768.03	1,807	$5,024,045.14	1261	$3,506,362.71	1.1%	1.5%
10	Lymphoma and Other Cancers	0.363	5,454	9,684	277	20,774	3.7%	2.8%	2.4%	2.3%	2,093	$243	$6,104,003.70	1338	$3,897,594.14	1,708	$4,980,867.02	1090	$3,180,436.82	0.9%	1.4%
134	Dialysis Status	0.538	8,831	13,312	1,013	50,762	4.7%	3.8%	8.7%	5.6%	(1,407)	$360	($6,078,950.57)	1157	$5,001,209.40	(1,148)	($4,961,239.67)	944	$4,080,886.89	0.8%	-1.0%
157	Chronic Ulcer of Skin, Except Pressure	0.226	4,700	8,450	490	22,626	3.2%	2.5%	4.2%	2.5%	1,028	$151	$1,867,758.84	1098	$1,994,381.16	839	$1,523,679.14	896	$1,627,415.02	0.7%	0.7%
11	Fibrosis of Lung and Other Chronic Lung Disorders	0.252	5,480	10,291	387	23,524	3.7%	3.0%	3.3%	2.6%	1,643	$169	$3,515,821.86	1074	$2,173,817.98	1,340	$2,713,870.64	876	$1,773,835.47	0.7%	1.1%
172	Complications of Specified Implanted Device or Graft	0.366	4,957	9,275	413	24,975	3.4%	2.7%	3.5%	2.8%	904	$247	$2,680,547.97	1004	$2,975,713.80	738	$2,187,327.14	819	$2,428,182.46	0.7%	0.6%
25	Chronic Hepatitis	0.343	2,867	4,593	321	16,835	2.0%	1.3%	2.8%	1.6%	492	$236	$1,336,099.34	909	$2,505,963.27	602	$1,706,576.90	742	$2,044,865.94	0.6%	0.5%
13	Chronic Kidney Disease, Severe (Stage 4)	0.304	4,853	9,823	389	18,716	3.3%	2.8%	3.2%	2.1%	1,816	$204	$4,435,225.17	751	$1,835,208.74	1,482	$3,619,143.74	613	$1,497,550.33	0.5%	1.2%
106	Vascular Disease with Complications	0.257	4,633	9,124	384	17,975	3.2%	2.7%	3.3%	2.0%	1,716	$172	$3,563,585.15	744	$1,536,382.96	1,400	$2,891,524.68	607	$1,253,688.50	0.5%	1.2%
51	Dementia With Complications		3,249	5,877	235	15,496	2.2%	1.7%	2.0%	1.7%	735	$0	$0.00	744	$0.00	596	$0.00	607	$0.00	0.5%	0.5%
159	Pressure Ulcer of Skin with Partial Thickness Skin Loss	0.284	3,378	6,222	305	17,409	2.3%	1.8%	2.5%	1.9%	554	$190	$1,261,950.04	727	$1,658,844.85	452	$1,031,183.27	593	$1,353,817.40	0.5%	0.4%
9	Lung and Other Severe Cancers	0.61	5,973	12,480	383	31,112	4.1%	3.9%	3.3%	3.4%	924	$408	$4,529,789.37	654	$3,203,397.06	754	$3,696,308.13	533	$2,613,972.00	0.4%	0.6%
33	Intestinal Obstruction/Perforation	0.302	8,177	17,898	600	44,627	5.6%	5.2%	5.2%	4.9%	935	$201	$2,356,873.86	548	$1,330,346.88	763	$1,851,401.07	447	$1,085,563.05	0.4%	0.6%
188	Amputation Status, Lower Limb/Amputation Complications	0.384	3,218	6,282	376	20,107	2.2%	1.8%	3.2%	2.2%	(45)	$257	($138,567.27)	540	$1,667,302.89	(37)	($113,070.90)	441	$1,360,519.16	0.4%	0.0%
55	Drug/Alcohol Dependence	0.051	5,714	12,149	618	42,931	3.9%	3.5%	5.3%	4.8%	(1,253)	$34	($513,333.86)	536	$219,506.33	(1,022)	($418,818.80)	437	$179,117.27	0.4%	0.3%
156	Pressure Ulcer of Skin with Full Thickness Skin Loss	0.284	2,308	4,168	258	13,093	1.6%	1.2%	2.2%	1.4%	181	$190	$413,705.37	529	$1,208,143.53	148	$337,583.58	432	$985,845.12	0.4%	0.1%
39	Bone/Joint/Muscle Infections/Necrosis	0.386	2,772	5,300	245	15,912	1.9%	1.5%	2.1%	1.8%	190	$258	$588,775.66	513	$1,590,890.35	155	$480,440.94	419	$1,298,166.53	0.3%	0.1%
87	Unstable Angina and Other Acute Ischemic Heart Disease	0.394	4,145	8,583	363	17,945	2.8%	2.5%	3.1%	2.0%	1,213	$264	$3,903,063.12	487	$5,540,520.51	1,006	$3,184,899.51	397	$1,257,064.74	0.3%	0.8%
11	Colorectal, Bladder, and Other Cancers	0.235	4,182	8,682	270	18,709	2.8%	2.5%	2.3%	2.1%	1,146	$173	$2,347,885.23	481	$996,389.14	935	$1,915,874.34	393	$804,893.54	0.3%	0.8%
162	Artificial Openings for Feeding or Elimination	0.658	4,296	8,974	404	38,930	2.9%	2.6%	3.5%	4.3%	(2,021)	$441	($10,687,129.52)	471	$2,489,968.52	(1,650)	($8,720,697.69)	384	$2,031,814.32	0.3%	-1.4%
27	End-Stage Liver Disease	0.637	3,291	6,750	362	22,097	2.2%	2.0%	3.1%	2.4%	(295)	$423	($1,509,042.56)	414	$2,118,486.18	(241)	($1,231,378.73)	338	$1,728,684.72	0.3%	-0.2%
12	Exudative Macular Degeneration	0.178	796	763	46	112	0.5%	0.2%	0.4%	0.0%	718	$119	$1,026,617.70	411	$587,493.48	586	$837,720.04	335	$479,394.68	0.3%	0.5%
35	Inflammatory Bowel Disease	0.25	1,552	2,756	120	6,092	1.1%	0.8%	1.0%	0.7%	563	$167	$1,131,701.12	377	$757,871.47	460	$923,468.11	308	$618,423.12	0.3%	0.4%
46	Severe Hematological Disorders	0.638	1,650	3,011	112	9,684	1.1%	0.9%	1.0%	1.1%	79	$427	$480,431.41	367	$1,879,291.02	64	$328,184.03	299	$1,193,501.47	0.3%	0.1%
47	Disorders of Immunity	0.436	3,271	6,891	245	22,950	2.2%	2.0%	2.1%	2.5%	(453)	$292	($1,587,852.46)	334	$1,169,418.12	(370)	($1,295,687.61)	272	$954,245.19	0.2%	-0.3%
54	Drug/Alcohol Psychosis	0.051	2,069	4,198	206	14,372	1.4%	1.2%	1.8%	1.6%	(263)	$34	($107,872.33)	280	$114,600.07	(215)	($88,023.82)	228	$93,513.68	0.2%	-0.2%
29	Cirrhosis of Liver	0.343	3,470	7,515	387	24,910	2.4%	2.2%	3.3%	2.8%	(572)	$230	($1,577,287.48)	267	$735,434.75	(467)	($1,287,066.58)	218	$600,098.44	0.2%	-0.4%
72	Spinal Cord Disorders/Injuries	0.191	1,212	2,244	80	6,355	0.8%	0.7%	0.7%	0.7%	181	$128	$371,349.20	256	$382,144.83	147	$226,316.95	209	$319,990.18	0.2%	0.1%
186	Major Organ Transplant or Replacement Status	1.12	823	1,448	103	5,529	0.6%	0.4%	0.8%	0.6%	(74)	$750	($668,002.19)	207	$1,899,756.54	(61)	($545,089.78)	169	$1,517,561.34	0.1%	-0.1%
77	Multiple Sclerosis		794	1,466	78	4,509	0.5%	0.4%	0.7%	0.5%	62	$0	$0.00	189	$0.00	51	$0.00	138	$0.00	0.1%	0.0%
157	Pressure Ulcer of Skin with Necrosis Through to Muscle, Tendon, or Bone	0.284	798	1,480	90	7,101	0.5%	0.4%	0.8%	0.8%	(386)	$190	($681,554.20)	144	$327,898.76	(315)	($719,348.23)	117	$267,585.39	0.1%	-0.3%
34	Chronic Pancreatitis	0.175	706	1,344	83	3,435	0.5%	0.4%	0.7%	0.4%	149	$105	($268,510.48	133	$187,206.19	121	($170,470.95	109	$152,790.58	0.1%	0.1%
82	Respirator Dependence/Tracheostomy Status	1.567	1,289	2,754	138	14,877	0.9%	0.8%	1.2%	1.6%	(1,125)	$1,049	($1,180,718.47)	115	$1,449,798.57	(918)	($1,160,042.27)	94	$1,183,035.63	0.1%	-0.8%
108	Atherosclerosis of the Extremities with Ulceration or Gangrene	0.773	1,573	3,465	146	9,881	1.1%	1.0%	1.3%	1.1%	(30)	$518	($186,200.45)	96	$596,852.96	(25)	($154,387.57)	78	$487,032.01	0.1%	0.0%
71	Paraplegia	0.497	844	1,304	79	8,057	0.4%	0.4%	0.7%	0.7%	(339)	$333	($1,353,369.46)	88	$752,167.35	(277)	($1,104,349.48)	72	$287,368.72	0.1%	-0.2%
78	Parkinson and Huntington's Diseases	0.11	2,862	5,045	175	19,282	1.8%	1.8%	1.5%	2.1%	(467)	$74	($412,772.06)	61	$74,491.03	(381)	($336,822.00)	70	$61,600.64	0.1%	-0.5%
1	HIV/AIDS	1.374	361	688	43	3,958	0.2%	0.2%	0.4%	0.4%	(281)	$910	($3,105,399.41)	68	$747,949.22	(230)	($2,534,005.11)	55	$610,326.57	0.0%	-0.2%
17	Diabetes with Acute Complications	0.434	749	1,541	134	4,811	0.5%	0.5%	1.2%	0.5%	1	$291	$2,576.63	50	$172,783.29	1	$2,102.53	40	$140,991.16	0.0%	0.0%
73	Amyotrophic Lateral Sclerosis and Other Motor Neuron Disease	0.294	134	225	14	778	0.1%	0.1%	0.1%	0.1%	8	$197	$18,301.79	38	$80,993.67	6	$14,935.08	31	$73,434.83	0.0%	0.0%
6	Opportunistic Infections	0.541	754	1,868	72	6,386	0.5%	0.5%	0.6%	0.7%	(280)	$582	($1,215,119.04)	35	$150,036.80	(228)	($991,537.13)	28	$122,430.01	0.0%	0.0%
104	Monoplegia, Other Paralytic Syndromes	0.063	325	687	36	2,201	0.2%	0.2%	0.3%	0.2%	(32)	$42	($18,285.32)	32	$18,287.65	(26)	($13,288.82)	26	$13,290.72	0.0%	0.0%
99	Cerebral Hemorrhage	0.175	1,758	4,060	183	9,129	1.2%	1.2%	1.6%	0.9%	439	$117	$617,051.49	27	$38,652.17	358	$503,514.02	22	$31,540.17	0.0%	0.3%
78	Muscular Dystrophy	0.247	77	138	3	515	0.1%	0.0%	0.0%	0.1%	(7)	$165	($13,366.38)	18	$36,078.53	(5)	($10,956.96)	15	$29,440.41	0.0%	0.0%
74	Cerebral Palsy		169	361	32	2,943	0.1%	0.1%	0.3%	0.3%	(109)	$0	$0.00	15	$0.00	(752)	$0.00	12	$0.00	0.0%	-0.2%
115	Pneumococcal Pneumonia, Empyema, Lung Abscess	0.184	893	1,811	78	4,807	0.5%	0.5%	0.7%	0.5%	(67)	$150	($135,714.99)	5	$9,877.40	(71)	($130,743.43)	5	$8,059.96	0.0%	0.1%
83	Respiratory Arrest	0.611	70	150	13	514	0.0%	0.0%	0.1%	0.1%	(13)	$409	($65,855.34)	6	$29,773.76	(11)	($53,721.64)	5	$24,295.39	0.0%	0.0%
110	Cystic Fibrosis	0.323	21	36	4	597	0.0%	0.0%	0.0%	0.1%	(76)	$216	($196,923.62)	6	$14,677.42	(62)	($160,689.67)	5	$11,976.76	0.0%	-0.1%
82	Severe Skin Burn or Condition		36	62	2	308	0.0%	0.0%	0.0%	0.0%	(14)	$0	$0.00	1	$0.00	(11)	$0.00	1	$0.00	0.0%	0.0%
79	Seizure Disorders and Convulsions	0.173	5,517	12,963	743	50,774	3.8%	3.8%	6.4%	5.6%	(3,723)	$116	($3,784,290.19)	-8	($11,499.59)	(2,222)	($3,087,948.15)	-7	($9,383.67)	0.0%	-1.9%
70	Quadriplegia	0.497	407	965	66	5,110	0.3%	0.3%	0.6%	0.6%	(422)	$333	($1,686,100.31)	-13	($51,275.82)	(345)	($1,375,857.85)	-10	($41,841.07)	0.0%	-0.3%
140	Unspecified Renal Failure	0.304	90	249	20	955	0.1%	0.1%	0.2%	0.1%	(65)	$204	($158,704.60)	-16	($39,403.98)	(53)	($129,502.96)	-13	($32,153.84)	0.0%	0.0%
166	Severe Head Injury	0.103	16	135	6	383	0.0%	0.0%	0.1%	0.0%	(44)	$69	($58,534.30)	-40	($32,723.61)	(36)	($29,815.07)	-32	($26,702.56)	0.0%	0.0%
173	Traumatic Amputations and Complications	0.067	91	314	9	851	0.1%	0.1%	0.1%	0.1%	(47)	$45	($25,354.08)	-43	($23,060.53)	(38)	($20,688.94)	-35	($18,817.39)	0.0%	0.0%
141	Nephritis	0.235	3,469	9,249	323	19,570	2.4%	2.4%	2.8%	2.2%	293	$137	$553,666.87	-47	($88,753.49)	239	$451,792.00	-38	($72,422.85)	0.0%	0.2%
170	Hip Fracture/Dislocation		4,787	11,298	322	24,386	3.3%	3.3%	2.8%	2.7%	810	$0	$0.00	-49	$0.00	661	$0.00	-40	$0.00	0.0%	0.6%
169	Vertebral Fractures without Spinal Cord Injury	0.179	2,823	6,271	155	14,462	1.8%	1.8%	1.3%	1.6%	276	$120	$387,134.27	-56	($71,787.32)	225	$324,027.88	-45	($58,578.45)	0.0%	0.2%
80	Coma, Brain Compression/Anoxic Damage	0.103	2,079	5,009	352	14,027	1.4%	1.5%	3.0%	1.6%	(197)	$69	($163,251.68)	-56	($46,349.81)	(161)	($133,213.37)	-46	($37,821.44)	0.0%	-0.1%
114	Aspiration and Specified Bacterial Pneumonias	0.239	5,539	13,157	666	53,985	3.8%	3.8%	5.7%	6.0%	(3,223)	$160	($6,186,139.78)	-69	($132,428.36)	(2,629)	($5,048,036.94)	-56	($108,061.54)	0.0%	-2.2%
100	Ischemic or Unspecified Stroke	0.175	4,956	11,889	547	24,691	3.4%	3.5%	4.7%	2.7%	949	$117	$3,334,857.95	-103	($144,787.57)	775	$1,089,080.89	-84	($118,146.66)	0.0%	0.6%
167	Major Head Injury		1,878	4,662	142	10,406	1.3%	1.4%	1.2%	1.2%	189	$0	$0.00	-109	$0.00	155	$0.00	-89	$0.00	0.0%	0.1%
86	Acute Myocardial Infarction	0.394	6,732	16,697	632	31,497	4.6%	4.9%	5.4%	3.5%	1,521	$264	$5,130,764.98	-385	($1,218,151.13)	1,323	$4,186,704.22	-314	($944,092.94)	0.0%	1.1%
57	Schizophrenia	0.274	1,076	3,528	198	42,532	0.7%	1.0%	1.7%	4.7%	(5,826)	$183	($12,825,961.57)	-428	($941,704.98)	(4,754)	($10,465,984.64)	-349	($768,431.27)	-0.3%	-4.0%
135	Acute Renal Failure	0.538	20,967	50,552	1,937	141,585	14.3%	14.7%	16.6%	15.7%	(2,009)	$360	($8,684,449.24)	-580	($2,507,098.48)	(1,639)	($7,086,510.58)	-473	($2,045,792.36)	-0.4%	-1.4%
111	Chronic Obstructive Pulmonary Disease	0.323	27,874	68,033	2,224	198,866	19.0%	19.8%	19.1%	22.0%	(4,197)	$216	($13,412,331.14)	-1124	($2,916,983.13)	(3,588)	($9,312,467.21)	-937	($2,580,256.13)	-0.8%	-3.0%
52	Dementia Without Complication		20,175	51,019	1,678	157,316	13.8%	14.8%	14.4%	17.4%	(5,359)	$0	$0.00	-1571	$0.00	(4,369)	$0.00	-1282	$0.00	-1.1%	-3.7%
19	Diabetes without Complication	0.187	24,900	60,647	2,773	278,434	17.0%	17.5%	23.8%	30.8%	(20,284)	$125	($30,475,899.87)	-8475	($14,235,354.93)	(16,551)	($24,868,285.34)	-7731	($11,616,049.64)	-6.5%	-13.8%
			1,141,151	2,660,261	94,979	7,231,887							$1,047,665,268.87		$1,047,665,268.87		$1,016,116,796.71		$1,016,116,796.71		

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2013 OSHPD DATA

	Total Claims	149,465	360,649	11,481	873,146							National Factor	$9,036								
												Readmission Rate	18.40%								
HCC GATED	HCC Name	HCC Weight	Kaiser Claims Count Based on Kaiser Data	All Other CA Hospitals Claims Count Based on Kaiser Data	Kaiser Claims Count Based on All CA Hospitals Data	All CA Hospitals Claims Count Based on All CA Hospitals Data	Kaiser Risk Adjusted Charges Based on Kaiser Data	All CA Hospitals Risk Adjusted Charges Based on Kaiser Data	Kaiser Risk Adjusted Charges Based on All CA Hospitals Data	All CA Hospitals Risk Adjusted Charges Based on All CA Hospitals Data	Expected Impact on Billing	Expected Impact on Billing	Estimated Kaiser Annual Billings to Kaiser Patients for Kaiser Hospitals Based on Kaiser Data	Estimated Kaiser Annual Billings to Kaiser Patients for All CA Hospitals Based on Kaiser Data	Estimated Kaiser Annual Billings to Kaiser Patients for Kaiser Hospitals Based on All CA Hospitals Data	Estimated Kaiser Annual Billings to Kaiser Patients for All CA Hospitals Based on All CA Hospitals Data	Estimated Kaiser Annual Billings to Kaiser Patients for Kaiser Hospitals Based on Kaiser Data	Estimated Kaiser Annual Billings to Kaiser Patients for All CA Hospitals Based on All CA Hospitals Data	Difference in Kaiser Annual Billings to Kaiser Patients for Kaiser Hospitals Based on Kaiser Data and All CA Hospitals Based on All CA Hospitals Data	Difference in Kaiser Annual Billings to Kaiser Patients for All CA Hospitals Based on Kaiser Data and All CA Hospitals Based on All CA Hospitals Data
105	Vascular Disease	0.136	98,867	128,945	5,267	107,196	66.15%	35.75%	46.05%	12.28%	$0.517	592	$59,276,670.08	45428	$56,369,980.51	65,702	$72,849,762.78	37069	$41,101,904.09	30.38%	53.87%
18	Diabetes with Neurologic or Other Specified Manifestation 1,4	0.413	45,412	60,167	2,560	53,062	30.38%	16.68%	22.47%	6.08%	36,329	$277	$120,551,313.01	20477	$67,948,834.30	29,644	$98,369,876.31	16709	$55,446,248.79	13.70%	24.31%
15	Diabetes with Renal or Peripheral Circulatory Manifestation 1,4	0.413	41,248	55,842	2,671	44,865	27.60%	15.48%	22.83%	5.14%	33,565	$277	$111,378,569.77	18105	$60,079,153.96	27,185	$90,384,312.96	14774	$49,024,588.00	12.11%	22.46%
131	Renal Failure	0.353	62,884	191,144	7,436	422,580	62.14%	53.00%	64.77%	48.40%	20,547	$236	$58,275,973.19	13648	$38,744,589.37	36,786	$47,553,192.49	13153	$31,633,904.93	9.14%	13.75%
21	Protein-Calorie Malnutrition	0.368	32,362	47,116	2,442	80,129	21.65%	13.06%	21.27%	9.18%	18,646	$240	$53,632,490.40	12836	$36,920,525.82	15,215	$43,764,112.17	10474	$30,127,149.07	8.59%	12.47%
71	Polyneuropathy	0.277	31,522	46,217	1,994	57,589	21.09%	12.81%	16.50%	6.50%	21,664	$185	$48,215,546.41	12368	$27,526,682.54	17,678	$39,343,885.87	10092	$22,461,781.11	8.27%	14.69%
83	Angina Pectoris/Old Myocardial Infarction	0.331	28,534	47,010	1,680	82,645	19.09%	13.02%	14.53%	7.21%	17,760	$222	$47,231,455.64	9051	$24,072,324.16	14,492	$38,540,867.80	7586	$19,643,016.52	6.06%	11.88%
80	Congestive Heart Failure	0.323	80,271	174,271	6,051	394,396	53.71%	48.32%	52.76%	45.13%	12,758	$193	$23,372,202.98	8047	$14,741,910.81	10,413	$18,071,737.63	8567	$12,029,399.06	5.38%	8.54%
55	Major Depressive, Bipolar, and Paranoid Disorders	0.301	22,219	35,389	1,320	57,464	14.87%	9.81%	11.50%	6.58%	12,582	$202	$29,945,996.32	7553	$18,265,625.78	10,104	$24,435,952.99	6183	$14,904,734.32	5.05%	8.28%
2	Septicemia/Shock	0.296	29,146	54,027	2,940	124,579	19.50%	14.98%	25.61%	14.27%	7,823	$533	$50,030,356.91	6757	$43,217,858.97	6,383	$40,824,771.24	5514	$35,265,772.92	4.52%	5.23%
18	Diabetes with Ophthalmologic or Unspecified Manifestation 1,4	0.413	13,962	18,607	907	13,806	9.34%	4.44%	7.90%	1.58%	10,698	$277	$33,500,139.20	6428	$21,330,803.66	8,730	$28,968,113.59	5245	$17,405,935.78	4.39%	7.16%
82	Specified Heart Arrhythmias	0.246	52,507	112,596	3,509	230,196	35.33%	31.22%	31.09%	26.36%	13,403	$202	$36,384,078.35	6348	$12,098,364.68	10,937	$22,539,406.26	5015	$9,872,219.89	4.11%	8.97%
148	Decubitus Ulcer of Skin	0.517	20,534	37,293	1,786	99,579	13.74%	10.34%	15.38%	11.40%	3,489	$346	$14,491,433.69	5079	$21,095,852.57	7,247	$30,130,356.91	4144	$17,234,297.29	3.40%	2.33%
79	Cardio-Respiratory Failure and Shock	0.466	31,084	67,118	3,182	148,885	20.80%	18.61%	27.72%	17.17%	5,427	$325	$21,146,983.73	3268	$12,733,443.49	4,428	$17,255,938.72	2666	$10,390,506.21	2.19%	3.63%
7	Metastatic Cancer and Acute Leukemia	0.91	12,871	24,036	839	52,483	8.48%	6.67%	7.31%	6.01%	3,857	$609	$26,957,584.06	2709	$19,009,965.25	3,009	$21,397,388.59	2210	$16,181,683.96	1.81%	3.47%
10	Breast, Prostate, Colorectal and Other Cancers and Tumors	0.24	11,665	22,905	744	42,827	7.80%	6.35%	6.48%	4.90%	4,332	$161	$8,355,287.10	3370	$4,384,453.80	3,535	$6,816,280.44	1771	$3,414,518.30	1.45%	2.90%
119	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	0.44	3,707	3,627	205	728	2.48%	1.06%	2.57%	0.08%	3,582	$295	$12,664,692.92	2121	$7,498,182.97	2,923	$10,334,389.43	1731	$6,118,537.30	1.42%	2.40%
100	Hemiplegia/Hemiparesis	0.969	8,269	15,541	749	34,791	5.53%	4.31%	6.52%	3.98%	2,313	$46	$1,282,582.77	1828	$1,013,594.90	1,888	$1,046,587.54	1492	$827,093.44	1.22%	1.55%
38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	0.304	8,755	16,749	560	38,868	5.86%	4.64%	5.05%	4.22%	2,844	$204	$5,969,453.43	1817	$4,439,055.80	1,994	$4,871,074.00	1483	$3,622,268.54	1.22%	1.64%
82	Unstable Angina and Other Acute Ischemic Heart Disease	0.436	5,824	10,327	574	17,703	3.76%	2.86%	5.03%	2.03%	2,586	$284	$9,148,254.76	1344	$4,747,132.53	3,336	$7,664,975.88	1097	$3,868,753.99	0.90%	1.74%
130	Dialysis Status	2.228	6,971	13,845	1,146	50,430	4.66%	3.84%	9.98%	5.78%	(1,662)	$1,492	($29,744,952.08)	1233	$22,075,374.33	(1,356)	($24,271,799.30)	1006	$18,013,505.46	0.83%	-1.11%
149	Chronic Ulcer of Skin, Except Decubitus	0.291	5,051	9,424	483	22,284	3.38%	2.61%	4.20%	2.55%	1,236	$195	$2,890,893.66	1145	$2,678,612.30	1,909	$2,358,969.23	935	$2,185,258.04	0.77%	0.83%
104	Vascular Disease with Complications	0.47	6,261	12,666	467	26,503	4.19%	3.57%	4.38%	3.07%	1,673	$315	$6,317,368.76	929	$5,507,816.15	1,361	$5,156,891.31	758	$4,492,377.98	0.63%	1.12%
27	Chronic Hepatitis	0.35	3,961	4,967	322	14,363	1.98%	1.38%	2.80%	1.65%	897	$234	$1,398,223.87	903	$1,140,950.76	656	$1,140,950.76	526	$1,022,916.41	0.60%	0.33%
164	Major Complications of Medical Care and Trauma	0.325	9,439	20,599	681	46,356	6.32%	5.71%	5.93%	5.31%	1,504	$218	$3,926,309.96	902	$2,355,599.53	1,227	$3,204,276.88	736	$1,922,169.22	0.80%	1.01%
9	Lymphoma, Head and Neck, Brain, and Other Major Cancers	0.413	5,367	10,904	291	24,255	3.59%	3.02%	2.53%	2.78%	1,215	$277	$4,033,386.06	845	$2,814,067.81	991	$3,290,019.03	692	$2,296,230.38	0.57%	0.81%
32	Pancreatic Disease	0.374	4,451	8,902	405	19,245	2.98%	2.47%	3.53%	2.20%	1,157	$250	$3,475,683.31	762	$2,288,785.48	944	$2,836,165.74	632	$1,847,773.35	0.51%	0.77%
31	Intestinal Obstruction/Perforation	0.352	8,459	16,927	636	43,162	5.66%	5.25%	5.53%	4.94%	1,071	$236	$3,027,707.34	615	$1,739,406.57	874	$2,470,609.19	502	$1,419,355.76	0.41%	0.72%
177	Amputation Status, Lower Limb / Amputation Complications	0.266	3,446	6,862	352	19,746	2.31%	1.90%	3.07%	2.26%	66	$178	$342,808.70	602	$1,286,951.53	54	$114,888.26	491	$1,050,152.45	0.40%	0.04%
97	Bone/Joint/Muscle Infections/Necrosis	0.87	2,888	5,829	286	15,958	1.94%	1.62%	2.49%	1.83%	166	$449	$895,299.90	482	$2,596,169.65	136	$759,564.72	394	$2,118,474.43	0.32%	0.11%
8	Lung, Upper Digestive Tract, and Other Severe Cancers	0.578	4,973	11,010	312	25,995	3.33%	3.05%	2.72%	2.86%	523	$586	$2,421,272.61	430	$1,897,884.38	427	$1,975,758.45	335	$1,548,673.65	0.27%	0.35%
33	Inflammatory Bowel Disease	0.263	1,808	2,958	94	6,173	1.08%	0.82%	0.82%	0.71%	551	$189	$1,253,574.03	382	$868,841.23	456	$1,022,916.41	312	$708,974.44	0.26%	0.37%
25	End-Stage Liver Disease	0.937	3,448	7,353	336	21,879	2.31%	2.09%	2.93%	2.51%	(297)	$627	($2,237,867.66)	318	$2,392,446.85	(243)	($1,826,051.05)	259	$1,952,236.63	0.21%	-0.20%
52	Drug/Alcohol Dependence 3	0.001	10,716	679	44,218	4.01%	1.80%	5.91%	3.06%	(1,568)	$0	$0.00	316	$0.00	(1,280)	$0.00	258	$0.00	0.23%	-1.06%	
45	Disorders of Immunity	0.533	3,695	8,170	258	23,020	2.47%	2.27%	2.25%	2.64%	(246)	$357	($1,051,611.29)	309	$1,323,630.63	(200)	($858,114.81)	252	$1,080,082.59	0.21%	-0.16%
44	Severe Hematological Disorders	0.6	1,498	2,962	131	8,763	1.00%	0.83%	1.14%	1.00%	(2)	$402	($9,877.93)	256	$1,243,866.36	(2)	($8,060.39)	211	$1,014,978.83	0.17%	0.00%
51	Drug/Alcohol Psychosis 3		2,104	4,507	237	14,829	1.41%	1.25%	2.06%	1.70%	(634)	$0	$0.00	236	$0.00	(354)	$0.00	193	$0.00	0.16%	-0.29%	
69	Spinal Cord Disorders/Injuries	0.238	1,142	2,206	110	6,260	0.76%	0.61%	0.96%	0.72%	70	$159	$134,630.23	228	$435,536.31	51	$109,874.59	186	$355,397.62	0.15%	0.05%
26	Cirrhosis of Liver	0.35	3,700	8,567	394	24,684	2.48%	2.36%	3.43%	2.86%	(577)	$234	($1,621,927.27)	341	$397,244.62	(471)	($1,323,492.66)	135	$324,151.61	0.09%	-0.39%
72	Multiple Sclerosis	0.157	792	1,612	63	4,512	0.53%	0.45%	0.55%	0.52%	20	$105	$34,770.48	124	$136,335.62	16	$20,212.71	101	$127,569.87	0.08%	0.01%
74	Seizure Disorders and Convulsions	0.192	5,864	13,855	804	49,367	3.93%	3.84%	7.00%	5.66%	(2,590)	$129	($3,995,593.88)	122	$188,243.47	(2,113)	($3,260,402.97)	100	$153,606.67	0.08%	-1.73%
95	Cerebral Hemorrhage	0.151	2,012	4,568	200	8,134	1.35%	1.27%	1.74%	0.93%	620	$101	$751,757.29	119	$144,215.70	506	$613,429.87	97	$117,680.01	0.06%	0.41%
157	Vertebral Fractures without Spinal Cord Injury	0.154	2,961	6,864	204	14,696	1.98%	1.90%	1.78%	1.68%	445	$103	$551,940.54	116	$343,939.12	363	$449,649.08	93	$117,454.32	0.08%	0.30%
73	Parkinson's and Huntington's Diseases	0.138	2,836	6,104	183	18,431	1.76%	1.69%	3.42%	2.12%	(527)	$90	($584,210.42)	106	$127,862.58	(430)	($476,715.70)	87	$96,175.86	0.07%	-0.35%
1	HIV/AIDS	1.732	368	745	43	3,831	0.26%	0.21%	0.37%	0.44%	(268)	$1,160	($3,726,367.36)	79	$1,102,196.96	(239)	($3,040,903.28)	65	$899,894.56	0.05%	-0.18%
96	Ischemic or Unspecified Stroke	0.151	5,301	12,659	543	23,762	3.56%	3.51%	4.73%	2.72%	1,253	$101	$1,520,706.18	75	$90,613.69	1,023	$1,240,896.25	61	$73,940.77	0.05%	0.84%
68	Paraplegia	0.45	669	1,439	87	6,190	0.45%	0.40%	0.76%	0.71%	(981)	$321	($1,506,424.29)	73	($80,110.44	(919)	($1,128,241.22)	59	$228,570.12	0.05%	-0.26%
174	Major Organ Transplant Status	0.925	402	847	41	3,064	0.27%	0.23%	0.36%	0.35%	(122)	$619	($910,196.33)	51	$578,850.62	(100)	($742,889.41)	42	$309,142.17	0.03%	-0.08%
5	Opportunistic Infections	0.471	743	1,697	80	5,870	0.50%	0.47%	0.70%	0.67%	(262)	$355	($990,839.71)	40	$150,263.15	(214)	($808,525.20)	32	$122,614.73	0.03%	-0.18%
17	Diabetes with Acute Complications 1,4	0.413	807	1,694	143	4,897	0.54%	0.53%	1.25%	0.54%	3	$277	$9,849.65	22	$79,212.74	2	$8,037.32	18	$59,741.60	0.01%	0.00%
75	Coma, Brain Compression/Anoxic Damage	0.06	2,372	5,677	367	14,906	1.59%	1.57%	3.53%	1.71%	(180)	$40	($586,585.33)	19	$9,285.41	(147)	($570,653.62)	16	$7,577.06	0.01%	-0.12%
101	Cerebral Palsy and Other Paralytic Syndromes 3		424	995	48	4,420	0.28%	0.28%	0.42%	0.51%	(333)	$0	$0.00	12	$0.00	(271)	$0.00	9	$0.00	0.01%	-0.22%
112	Pneumococcal Pneumonia, Emphysema, Lung Abscess	0.197	905	2,160	93	5,530	0.61%	0.60%	0.78%	0.63%	(42)	$332	($545,884.93)	10	$15,549.49	(34)	($533,762.11)	8	$12,688.38	0.01%	-0.03%
107	Cystic Fibrosis	0.378	36	65	5	501	0.02%	0.02%	0.06%	0.06%	(50)	$253	($151,130.46)	9	$27,521.86	(41)	($123,322.46)	7	$22,457.84	0.01%	-0.03%
155	Major Head Injury 3		2,202	5,307	152	10,666	1.47%	1.47%	1.33%	1.22%	376	$0	$0.00	3	$0.00	307	$0.00	2	$0.00	0.00%	0.25%
161	Traumatic Amputation	0.266	4	12	1	30	0.00%	0.00%	0.01%	0.00%	(1)	$178	($2,429.60)	-1	($2,079.96)	(1)	($1,980.11)	-1	($1,697.25)	0.00%	0.00%
67	Quadriplegia, Other Extensive Paralysis	0.518	587	1,429	72	7,251	0.39%	0.39%	0.63%	0.83%	(651)	$347	($2,708,622.62)	-1	($6,224.08)	(531)	($2,210,236.06)	-1	($5,078.85)	0.00%	-0.44%
178	Artificial Openings for Feeding or Elimination	0.861	564	1,365	37	6,917	0.38%	0.38%	0.32%	0.79%	(610)	$576	($4,289,441.79)	-2	($18,773.64)	(506)	($3,560,186.50)	-1	($9,605.66)	0.00%	-0.41%
70	Muscular Dystrophy 3		60	150	8	528	0.04%	0.04%	0.05%	0.06%	(80)	$0	$0.00	-2	$0.00	(25)	$0.00	-2	$0.00	0.00%	-0.02%
150	Extensive Third-Degree Burns 3		3	13	1	64	0.00%	0.00%	0.01%	0.01%	(8)	$0	$0.00	-2	$0.00	(6)	$0.00	-2	$0.00	0.00%	-0.01%
78	Respiratory Arrest	1.121	69	171	15	466	0.04%	0.05%	0.13%	0.05%	(12)	$1,012	($107,065.63)	-5	($43,846.83)	(10)	($87,363.91)	-4	($35,778.89)	0.00%	-0.01%
154	Severe Hand Injury	0.06	17	107	4	361	0.01%	0.03%	0.03%	0.04%	(46)	$40	($22,090.47)	-27	($13,182.25)	(37)	($18,005.83)	-22	($10,756.73)	0.00%	-0.03%
158	Hip Fracture/Dislocation 3		4,933	11,973	346	24,236	3.36%	3.32%	3.01%	2.78%	784	$0	$0.00	-29	$0.00	640	$0.00	-24	$0.00	0.02%	0.52%
77	Respirator Dependence/Tracheostomy Status	2.129	477	1,273	58	6,471	0.32%	0.35%	0.48%	0.74%	(631)	$1,425	($10,788,771.71)	-51	($865,109.37)	(515)	($8,803,637.72)	-41	($765,929.25)	0.03%	-0.42%
111	Aspiration and Specified Bacterial Pneumonias	0.808	5,966	14,639	709	52,607	3.99%	4.06%	6.11%	5.96%	(2,960)	$409	($14,291,212.18)	-99	($482,372.36)	(2,399)	($11,661,629.54)	-81	($393,825.83)	0.07%	-1.97%
132	Nephritis	0.353	3,285	8,409	346	19,766	2.20%	2.35%	3.03%	2.26%	(99)	$236	($279,486.85)	-234	($662,377.79)	(80)	($228,061.27)	-191	($540,500.28)	0.16%	-0.07%
81	Acute Myocardial Infarction	0.439	9,757	17,519	610	31,090	4.53%	4.86%	5.31%	3.56%	1,435	$296	$5,061,651.37	503	($1,775,820.12)	1,171	$4,130,307.52	411	($1,449,069.23)	0.34%	0.96%
54	Schizophrenia	0.407	1,109	4,508	253	42,727	0.74%	1.18%	1.77%	4.89%	(6,205)	$273	($20,291,142.38)	-676	($2,211,845.84)	(5,063)	($16,557,572.19)	-552	($1,804,866.20)	0.45%	-4.15%
108	Chronic Obstructive Pulmonary Disease	0.378	28,332	71,480	2,112	192,536	18.96%	19.82%	18.40%	22.05%	(4,616)	$193	($14,050,579.33)	-1282	($3,823,053.92)	(3,775)	($11,463,272.73)	-1054	($3,201,210.37)	0.86%	-3.10%
19	Diabetes without Complication 1	0.173	23,396	64,483	2,705	269,377	15.65%	23.43%	23.56%	30.83%	(22,716)	$116	($31,575,230.25)	-10637	($16,147,190.86)	(18,536)	($25,765,387.68)	-9479	($13,176,034.32)	7.77%	-15.20%
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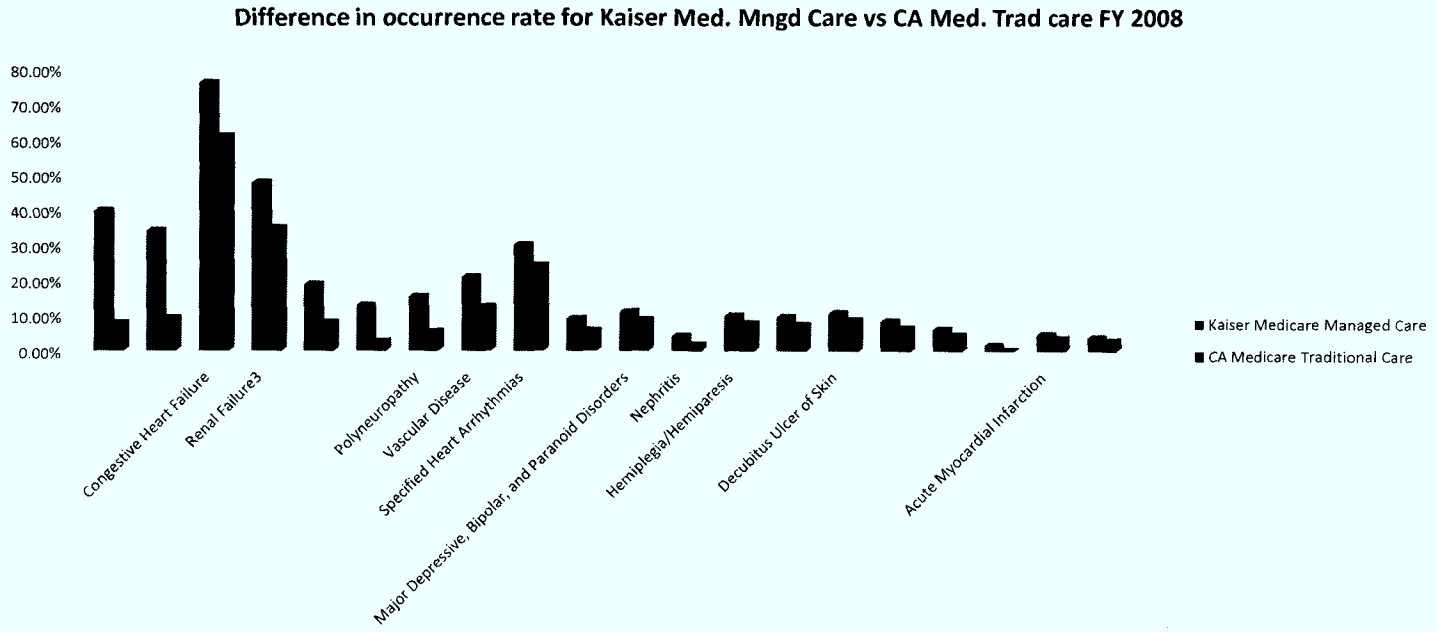
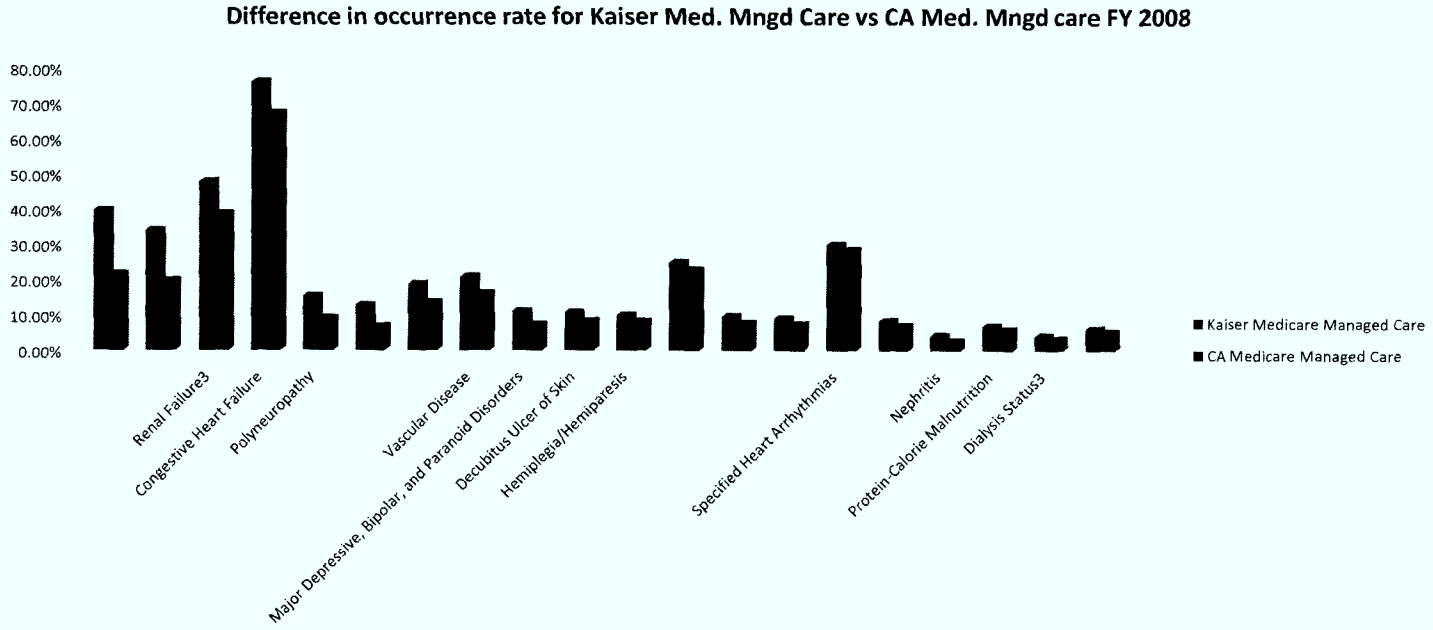
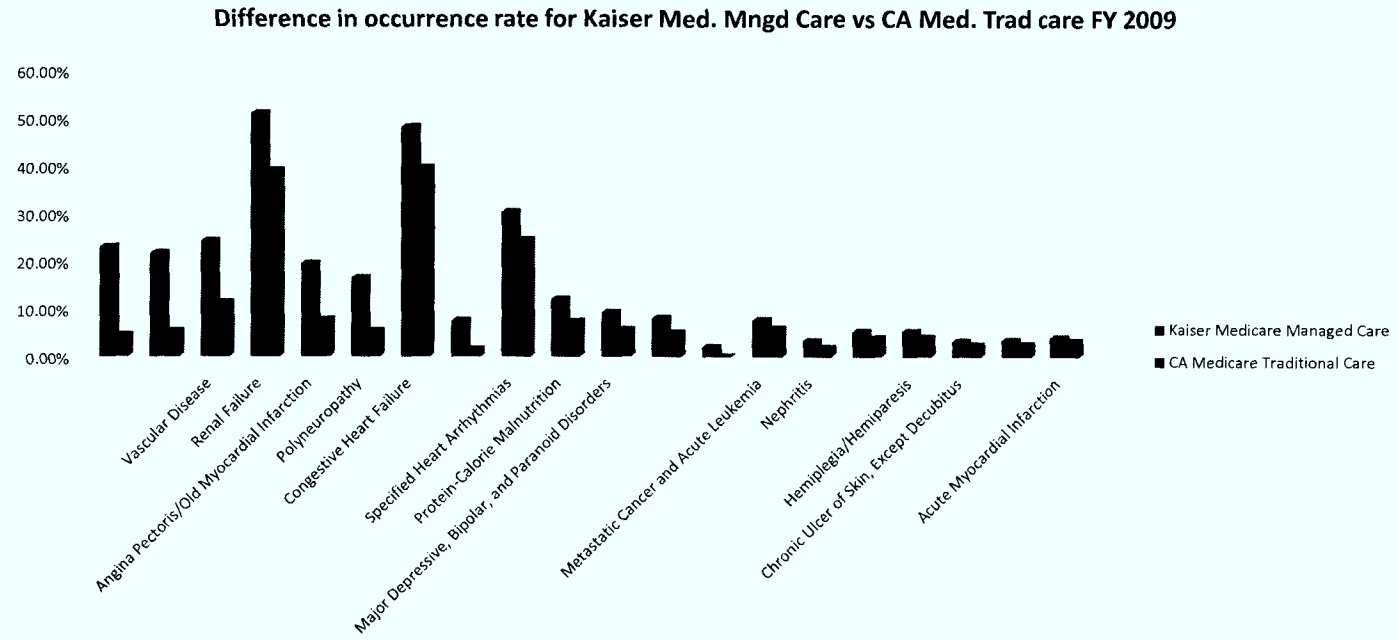


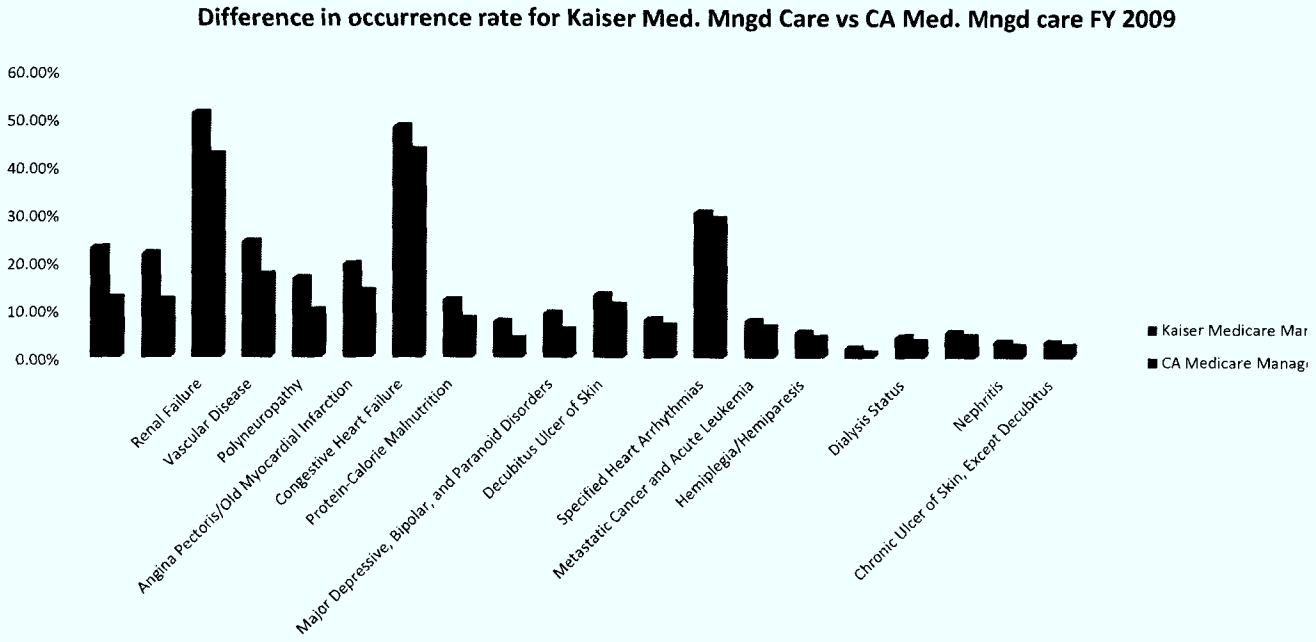
HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Traditional Care
HCC15	Diabetes with Renal or Peripheral Circulatory Manifestation	39.64%	7.61%
HCC16	Diabetes with Neurologic orOther Specified Manifestation	34.05%	9.16%
HCC80	Congestive Heart Failure	76.10%	60.74%
HCC131	Renal Failure3	47.77%	34.74%
HCC83	Angina Pectoris/OldMyocardial Infarction	18.75%	7.85%
HCC18	Diabetes with Ophthalmologic or Unspecified Manifestation	12.79%	2.40%
HCC71	Polyneuropathy	15.35%	5.22%
HCC105	Vascular Disease	20.81%	12.21%
HCC92	Specified Heart Arrhythmias	30.01%	24.03%
HCC10	Breast, Prostate, Colorectal and Other Cancers and Tumors	9.11%	5.56%
HCC55	Major Depressive, Bipolar, and Paranoid Disorders	11.02%	8.54%
HCC132	Nephritis	4.15%	1.75%
HCC100	Hemiplegia/Hemiparesis	9.99%	7.70%
HCC7	Metastatic Cancer and AcuteLeukemia	9.53%	7.25%
HCC148	Decubitus Ulcer of Skin	10.59%	8.53%
HCC38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	8.34%	6.29%
HCC9	Lymphatic, Head and Neck, Brain, and Other Major Cancers	6.05%	4.42%
HCC119	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	1.54%	0.05%
HCC81	Acute Myocardial Infarction	4.61%	3.41%
HCC149	Chronic Ulcer of Skin, ExceptDecubitus	3.74%	2.70%



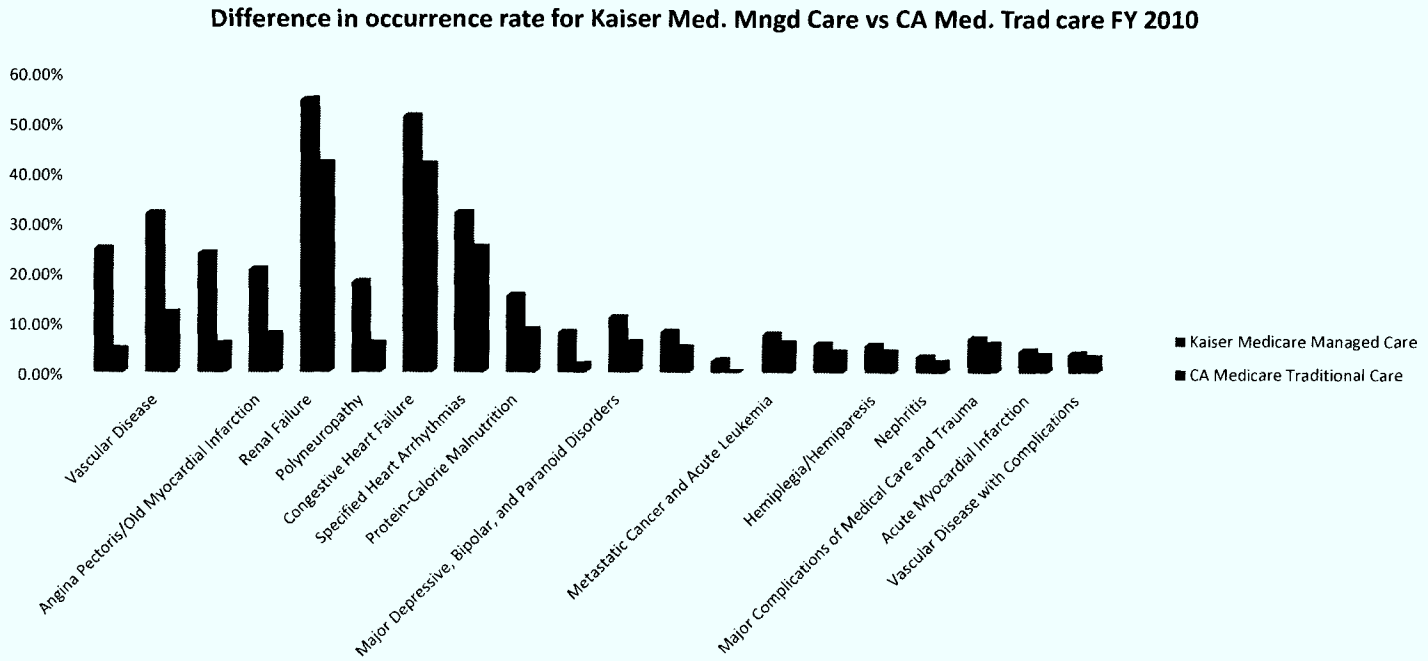
HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Managed Care
HCC15	Diabetes with Renal or Peripheral Circulatory Manifestation	39.64%	21.49%
HCC16	Diabetes with Neurologic orOther Specified Manifestation	34.05%	19.56%
HCC131	Renal Failure3	47.77%	38.49%
HCC80	Congestive Heart Failure	76.10%	67.11%
HCC71	Polyneuropathy	15.35%	9.10%
HCC18	Diabetes with Ophthalmologic or Unspecified Manifestation	12.79%	6.59%
HCC83	Angina Pectoris/OldMyocardial Infarction	18.75%	13.47%
HCC105	Vascular Disease	20.81%	16.08%
HCC55	Major Depressive, Bipolar, and Paranoid Disorders	11.02%	7.24%
HCC148	Decubitus Ulcer of Skin	10.59%	8.21%
HCC100	Hemiplegia/Hemiparesis	9.99%	7.96%
HCC108	Chronic ObstructivePulmonary Disease	24.81%	22.79%
HCC7	Metastatic Cancer and AcuteLeukemia	9.53%	7.70%
HCC10	Breast, Prostate, Colorectal and Other Cancers and Tumors	9.11%	7.35%
HCC92	Specified Heart Arrhythmias	30.01%	28.37%
HCC38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	8.34%	6.79%
HCC132	Nephritis	4.15%	2.65%
HCC21	Protein-Calorie Malnutrition	6.86%	5.68%
HCC130	Dialysis Status3	4.08%	3.06%
HCC9	Lymphatic, Head and Neck, Brain, and Other Major Cancers	6.05%	5.03%



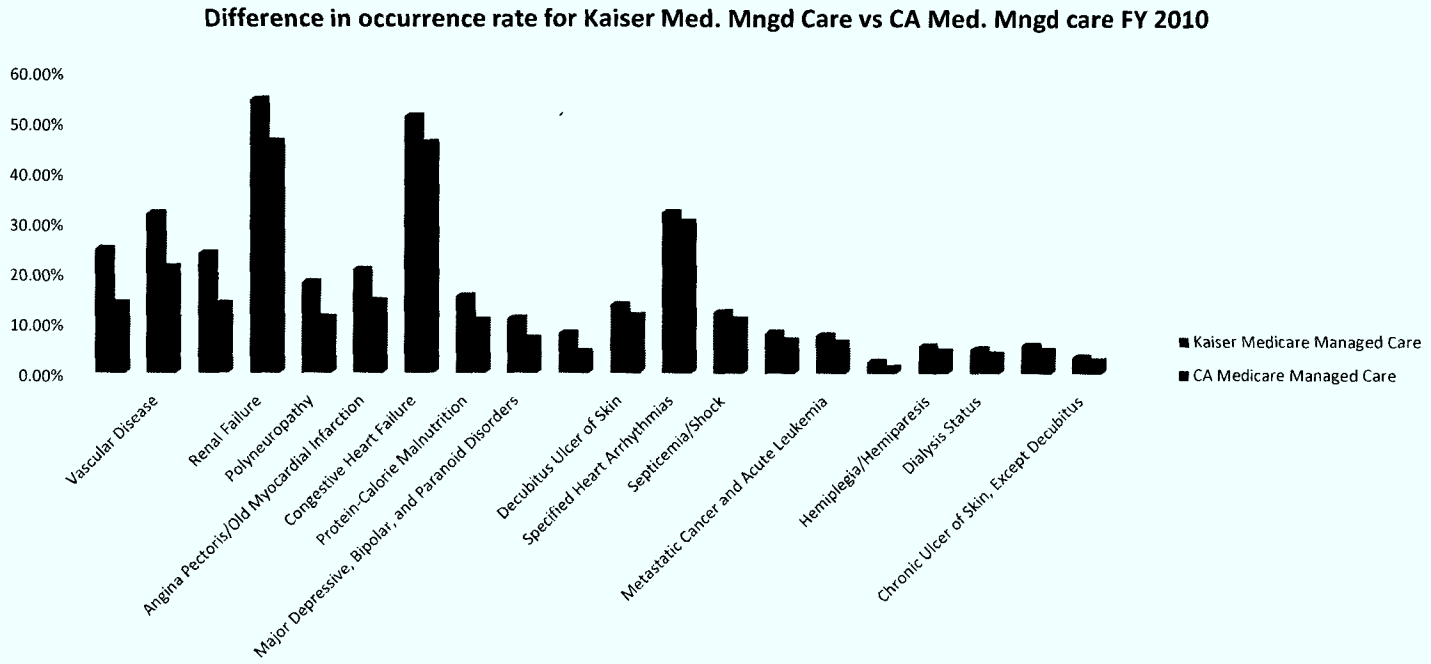
HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Traditional Care
15	Diabetes with Renal or Peripheral CirculatoryManifestation1	23.02%	4.41%
16	Diabetes with Neurologic or Other SpecifiedManifestation1	21.73%	5.34%
105	Vascular Disease	24.21%	11.40%
131	Renal Failure	51.05%	38.96%
83	Angina Pectoris/Old Myocardial Infarction	19.50%	7.69%
71	Polyneuropathy	16.53%	5.33%
80	Congestive Heart Failure	48.19%	39.49%
18	Diabetes with Ophthalmologic or UnspecifiedManifestation1	7.50%	1.47%
92	Specified Heart Arrhythmias	30.24%	24.45%
21	Protein-Calorie Malnutrition	11.98%	7.26%
55	Major Depressive, Bipolar, and Paranoid Disorders	9.26%	5.58%
10	Breast, Prostate, Colorectal and Other Cancers andTumors	8.07%	4.97%
119	Proliferative Diabetic Retinopathy and VitreousHemorrhage	2.05%	0.05%
7	Metastatic Cancer and Acute Leukemia	7.63%	5.79%
132	Nephritis	3.34%	1.82%
38	Rheumatoid Arthritis and Inflammatory ConnectiveTissue Disease	5.31%	3.81%
100	Hemiplegia/Hemiparesis	5.33%	3.98%
149	Chronic Ulcer of Skin, Except Decubitus	3.25%	2.37%
9	Lymphatic, Head and Neck, Brain, and Other MajorCancers	3.41%	2.55%
81	Acute Myocardial Infarction	3.97%	3.27%



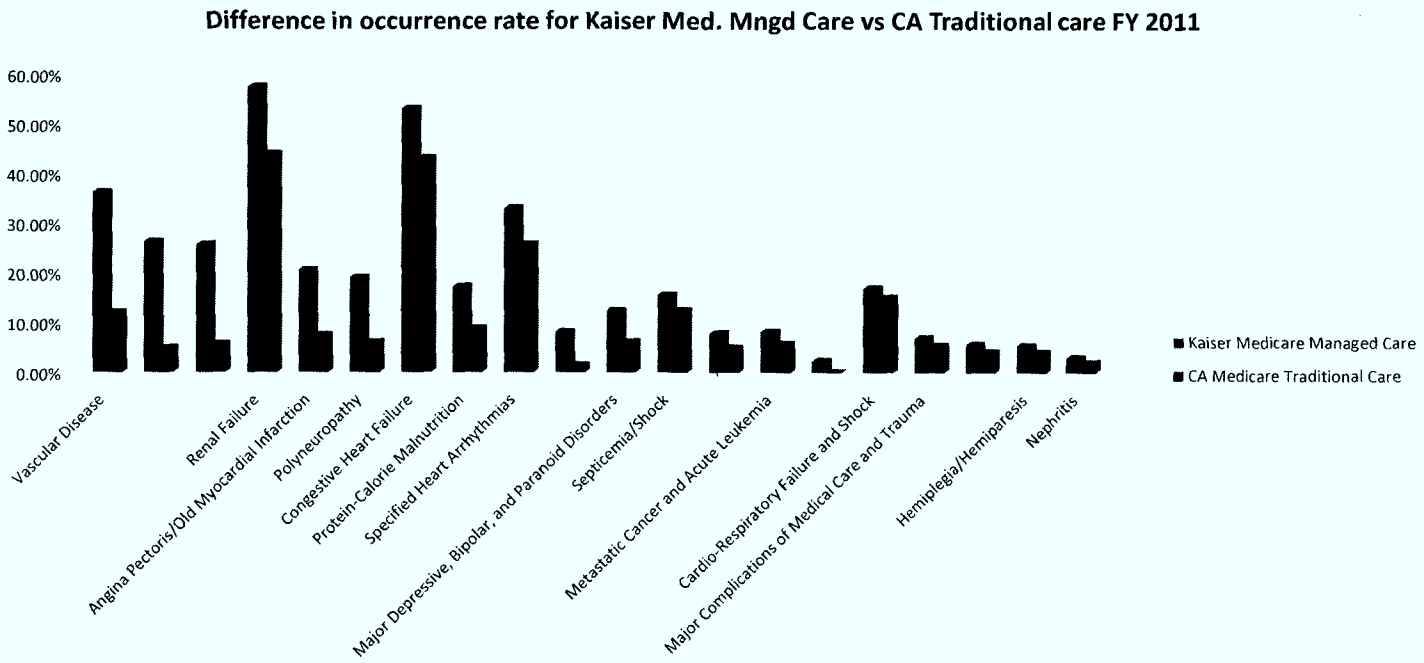
HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Managed Care
15	Diabetes with Renal or Peripheral CirculatoryManifestation1	23.02%	12.36%
16	Diabetes with Neurologic or Other SpecifiedManifestation1	21.73%	11.94%
131	Renal Failure	51.05%	42.34%
105	Vascular Disease	24.21%	17.23%
71	Polyneuropathy	16.53%	9.76%
83	Angina Pectoris/Old Myocardial Infarction	19.50%	13.74%
80	Congestive Heart Failure	48.19%	43.13%
21	Protein-Calorie Malnutrition	11.98%	8.01%
18	Diabetes with Ophthalmologic or UnspecifiedManifestation1	7.50%	3.81%
55	Major Depressive, Bipolar, and Paranoid Disorders	9.26%	5.66%
148	Decubitus Ulcer of Skin	13.09%	10.87%
10	Breast, Prostate, Colorectal and Other Cancers andTumors	8.07%	6.60%
92	Specified Heart Arrhythmias	30.24%	28.88%
7	Metastatic Cancer and Acute Leukemia	7.63%	6.28%
100	Hemiplegia/Hemiparesis	5.33%	4.15%
119	Proliferative Diabetic Retinopathy and VitreousHemorrhage	2.05%	0.90%
130	Dialysis Status	4.40%	3.30%
38	Rheumatoid Arthritis and Inflammatory ConnectiveTissue Disease	5.31%	4.31%
132	Nephritis	3.34%	2.41%
149	Chronic Ulcer of Skin, Except Decubitus	3.25%	2.40%



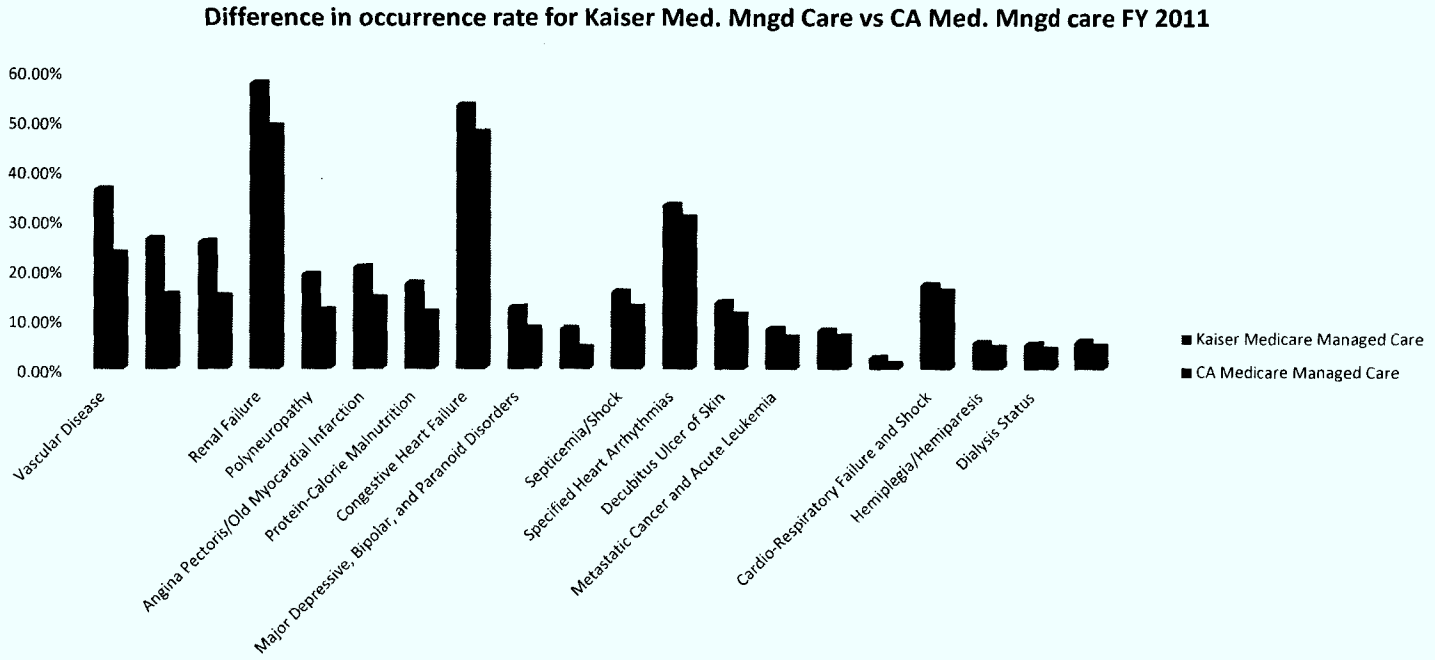
HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Traditional Care
15	Diabetes with Renal or Peripheral CirculatoryManifestation1	24.70%	4.54%
105	Vascular Disease	31.77%	11.79%
16	Diabetes with Neurologic or Other SpecifiedManifestation1	23.80%	5.55%
83	Angina Pectoris/Old Myocardial Infarction	20.51%	7.53%
131	Renal Failure	54.47%	41.77%
71	Polyneuropathy	18.01%	5.71%
80	Congestive Heart Failure	51.14%	41.50%
92	Specified Heart Arrhythmias	31.84%	24.84%
21	Protein-Calorie Malnutrition	15.27%	8.46%
18	Diabetes with Ophthalmologic or UnspecifiedManifestation1	7.87%	1.49%
55	Major Depressive, Bipolar, and Paranoid Disorders	10.87%	5.84%
10	Breast, Prostate, Colorectal and Other Cancers andTumors	7.98%	4.93%
119	Proliferative Diabetic Retinopathy and VitreousHemorrhage	2.34%	0.06%
7	Metastatic Cancer and Acute Leukemia	7.55%	5.78%
38	Rheumatoid Arthritis and Inflammatory ConnectiveTissue Disease	5.55%	3.99%
100	Hemiplegia/Hemiparesis	5.37%	4.00%
132	Nephritis	3.13%	1.92%
164	Major Complications of Medical Care and Trauma	6.75%	5.58%
81	Acute Myocardial Infarction	4.28%	3.34%
104	Vascular Disease with Complications	3.82%	2.94%



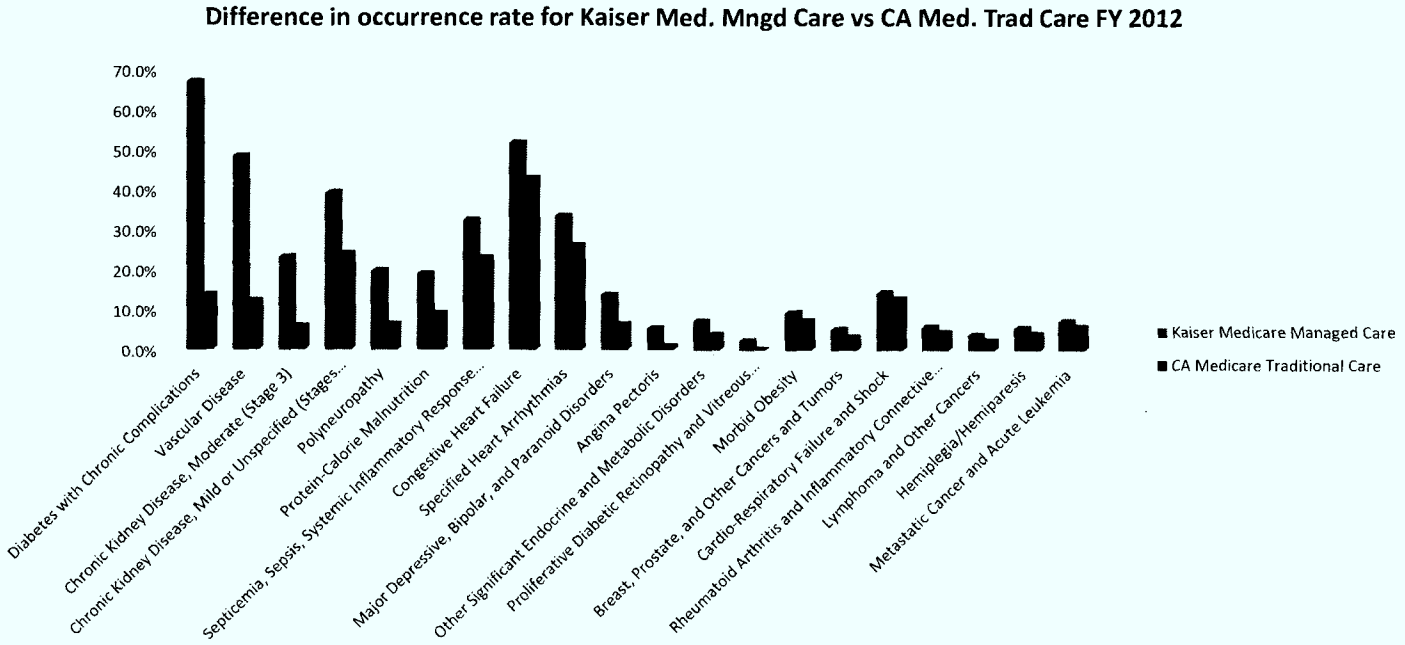
HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Managed Care
15	Diabetes with Renal or Peripheral CirculatoryManifestation1	24.70%	13.93%
105	Vascular Disease	31.77%	21.06%
16	Diabetes with Neurologic or Other SpecifiedManifestation1	23.80%	13.62%
131	Renal Failure	54.47%	46.07%
71	Polyneuropathy	18.01%	10.96%
83	Angina Pectoris/Old Myocardial Infarction	20.51%	14.25%
80	Congestive Heart Failure	51.14%	45.73%
21	Protein-Calorie Malnutrition	15.27%	10.28%
55	Major Depressive, Bipolar, and Paranoid Disorders	10.87%	6.84%
18	Diabetes with Ophthalmologic or UnspecifiedManifestation1	7.87%	4.11%
148	Decubitus Ulcer of Skin	13.49%	11.32%
92	Specified Heart Arrhythmias	31.84%	29.92%
2	Septicemia/Shock	12.13%	10.59%
10	Breast, Prostate, Colorectal and Other Cancers andTumors	7.98%	6.51%
7	Metastatic Cancer and Acute Leukemia	7.55%	6.12%
119	Proliferative Diabetic Retinopathy and VitreousHemorrhage	2.34%	1.06%
100	Hemiplegia/Hemiparesis	5.37%	4.26%
130	Dialysis Status	4.81%	3.76%
38	Rheumatoid Arthritis and Inflammatory ConnectiveTissue Disease	5.55%	4.56%
149	Chronic Ulcer of Skin, Except Decubitus	3.24%	2.44%



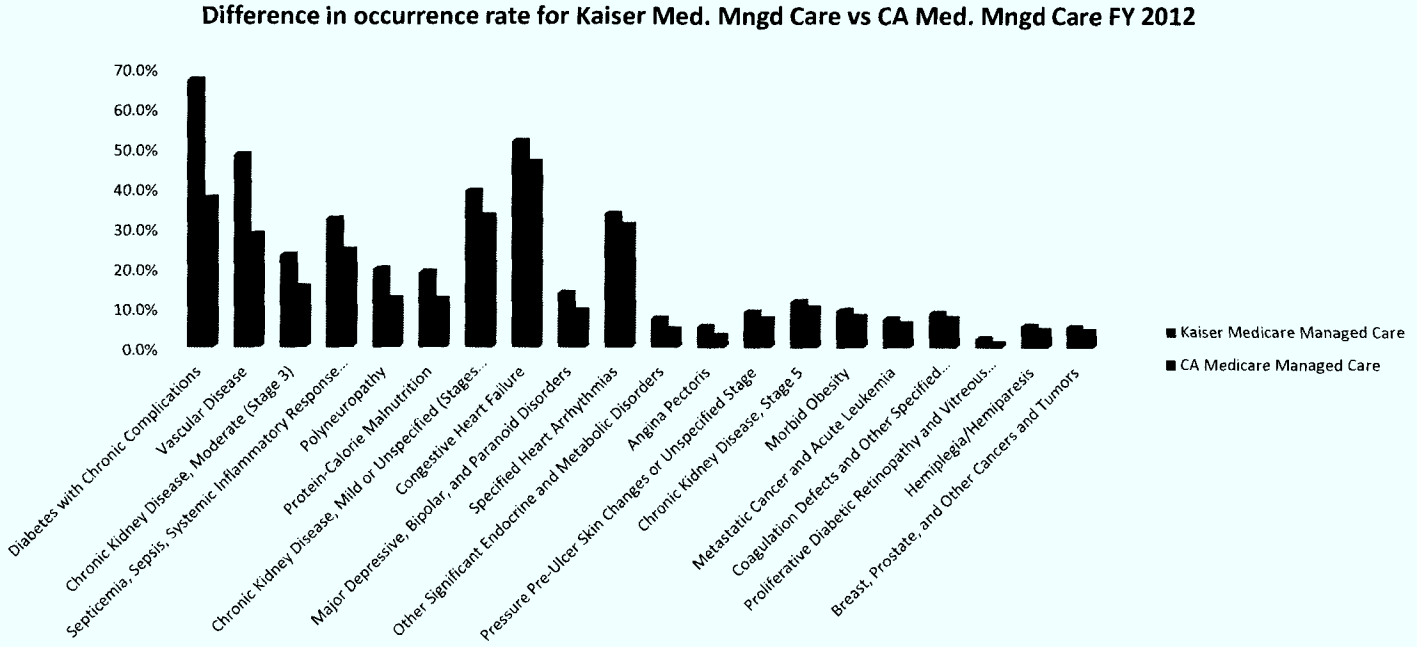
HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Traditional Care
105	Vascular Disease	36.17%	12.03%
15	Diabetes with Renal or Peripheral CirculatoryManifestation1	26.27%	4.79%
16	Diabetes with Neurologic or Other SpecifiedManifestation1	25.60%	5.67%
131	Renal Failure	57.43%	43.89%
83	Angina Pectoris/Old Myocardial Infarction	20.48%	7.44%
71	Polyneuropathy	19.03%	6.03%
80	Congestive Heart Failure	53.07%	43.00%
21	Protein-Calorie Malnutrition	17.16%	8.79%
92	Specified Heart Arrhythmias	32.90%	25.66%
18	Diabetes with Ophthalmologic or UnspecifiedManifestation1	8.06%	1.52%
55	Major Depressive, Bipolar, and Paranoid Disorders	12.42%	6.04%
2	Septicemia/Shock	15.50%	12.38%
10	Breast, Prostate, Colorectal and Other Cancers andTumors	7.83%	4.92%
7	Metastatic Cancer and Acute Leukemia	8.12%	5.78%
119	Proliferative Diabetic Retinopathy and VitreousHemorrhage	2.31%	0.07%
79	Cardio-Respiratory Failure and Shock	16.92%	15.03%
164	Major Complications of Medical Care and Trauma	6.89%	5.32%
38	Rheumatoid Arthritis and Inflammatory ConnectiveTissue Disease	5.58%	4.11%
100	Hemiplegia/Hemiparesis	5.36%	4.04%
132	Nephritis	3.03%	1.96%



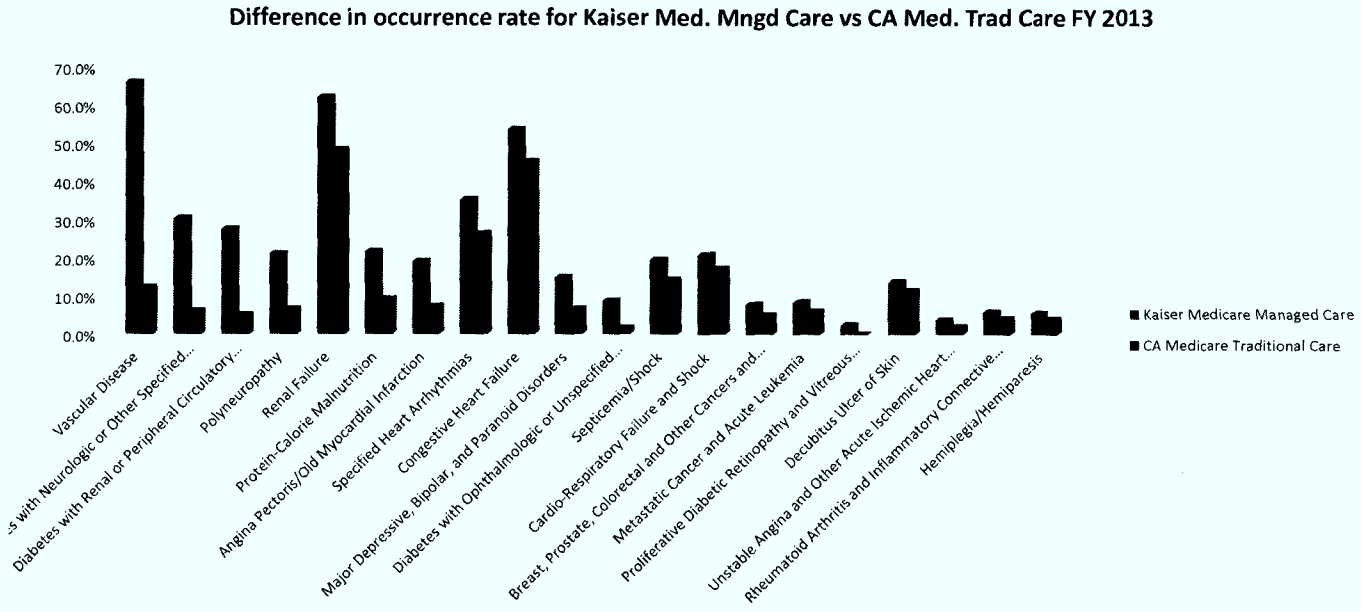
HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Managed Care
105	Vascular Disease	36.17%	23.33%
15	Diabetes with Renal or Peripheral CirculatoryManifestation1	26.27%	14.92%
16	Diabetes with Neurologic or Other SpecifiedManifestation1	25.60%	14.63%
131	Renal Failure	57.43%	48.79%
71	Polyneuropathy	19.03%	11.78%
83	Angina Pectoris/Old Myocardial Infarction	20.48%	14.16%
21	Protein-Calorie Malnutrition	17.16%	11.37%
80	Congestive Heart Failure	53.07%	47.50%
55	Major Depressive, Bipolar, and Paranoid Disorders	12.42%	8.08%
18	Diabetes with Ophthalmologic or UnspecifiedManifestation1	8.06%	4.25%
2	Septicemia/Shock	15.50%	12.33%
92	Specified Heart Arrhythmias	32.90%	30.27%
148	Decubitus Ulcer of Skin	13.43%	10.92%
7	Metastatic Cancer and Acute Leukemia	8.12%	6.40%
10	Breast, Prostate, Colorectal and Other Cancers andTumors	7.83%	6.48%
119	Proliferative Diabetic Retinopathy and VitreousHemorrhage	2.31%	1.05%
79	Cardio-Respiratory Failure and Shock	16.92%	15.67%
100	Hemiplegia/Hemiparesis	5.36%	4.28%
130	Dialysis Status	5.04%	3.98%
38	Rheumatoid Arthritis and Inflammatory ConnectiveTissue Disease	5.58%	4.60%



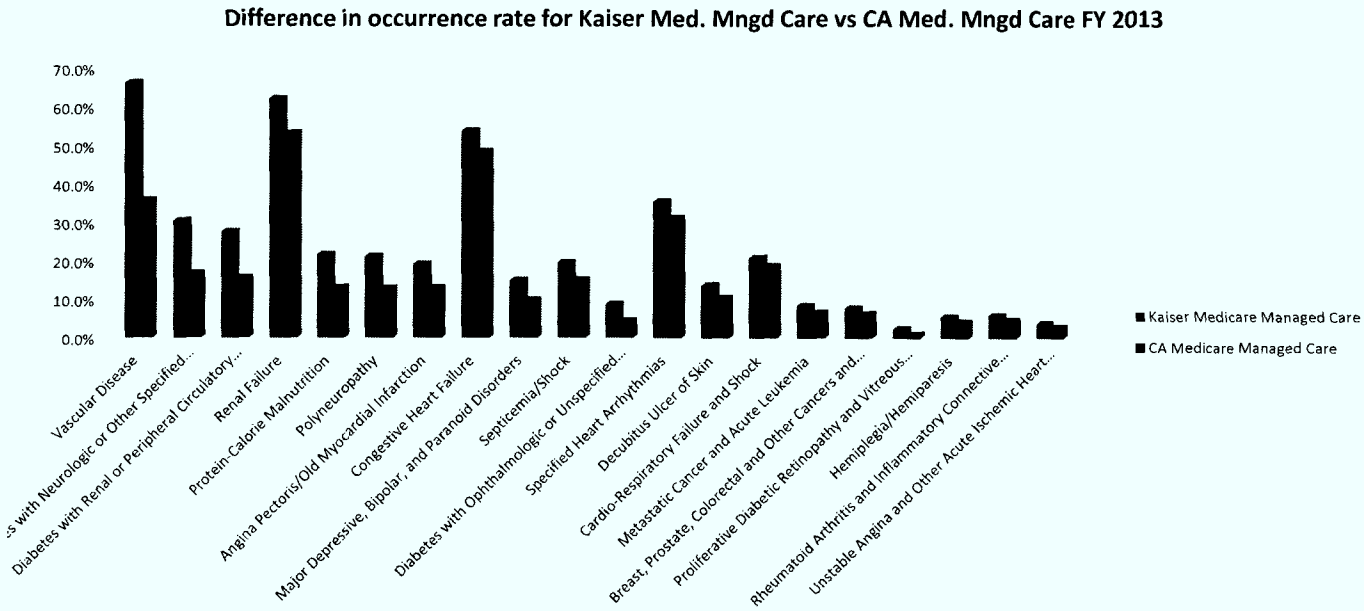
HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Traditional Care
18	Diabetes with Chronic Complications	67.0%	13.6%
108	Vascular Disease	48.4%	12.1%
138	Chronic Kidney Disease, Moderate (Stage 3)	23.1%	5.8%
139	Chronic Kidney Disease, Mild or Unspecified (Stages 1-2 or Unspecified)	39.1%	23.8%
75	Polyneuropathy	19.6%	6.3%
21	Protein-Calorie Malnutrition	18.8%	8.9%
2	Septicemia, Sepsis, Systemic Inflammatory Response Syndrome/Shock	32.3%	22.8%
85	Congestive Heart Failure	51.5%	42.7%
96	Specified Heart Arrhythmias	33.3%	26.0%
58	Major Depressive, Bipolar, and Paranoid Disorders	13.6%	6.3%
88	Angina Pectoris	5.3%	0.8%
23	Other Significant Endocrine and Metabolic Disorders	7.2%	3.7%
122	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	2.2%	0.1%
22	Morbid Obesity	9.3%	7.2%
12	Breast, Prostate, and Other Cancers and Tumors	5.2%	3.2%
84	Cardio-Respiratory Failure and Shock	14.2%	12.7%
40	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	5.8%	4.3%
10	Lymphoma and Other Cancers	3.7%	2.3%
103	Hemiplegia/Hemiparesis	5.4%	4.0%
8	Metastatic Cancer and Acute Leukemia	7.2%	5.8%



HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Managed Care
18	Diabetes with Chronic Complications	67.0%	37.3%
108	Vascular Disease	48.4%	28.3%
138	Chronic Kidney Disease, Moderate (Stage 3)	23.1%	15.0%
2	Septicemia, Sepsis, Systemic Inflammatory Response Syndrome/Shock	32.3%	24.3%
75	Polyneuropathy	19.6%	12.1%
21	Protein-Calorie Malnutrition	18.8%	12.0%
139	Chronic Kidney Disease, Mild or Unspecified (Stages 1-2 or Unspecified)	39.1%	32.9%
85	Congestive Heart Failure	51.5%	46.3%
58	Major Depressive, Bipolar, and Paranoid Disorders	13.6%	9.1%
96	Specified Heart Arrhythmias	33.3%	30.5%
23	Other Significant Endocrine and Metabolic Disorders	7.2%	4.5%
88	Angina Pectoris	5.3%	2.9%
160	Pressure Pre-Ulcer Skin Changes or Unspecified Stage	9.0%	7.0%
136	Chronic Kidney Disease, Stage 5	11.5%	9.8%
22	Morbid Obesity	9.3%	7.7%
8	Metastatic Cancer and Acute Leukemia	7.2%	5.9%
48	Coagulation Defects and Other Specified Hematological Disorders	8.6%	7.3%
122	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	2.2%	1.0%
103	Hemiplegia/Hemiparesis	5.4%	4.3%
12	Breast, Prostate, and Other Cancers and Tumors	5.2%	4.1%



HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Traditional Care
HCC105	Vascular Disease	66.1%	12.3%
HCC16	Diabetes with Neurologic or Other Specified Manifestation 1,4	30.4%	6.1%
HCC15	Diabetes with Renal or Peripheral Circulatory Manifestation 1,4	27.6%	5.1%
HCC71	Polyneuropathy	21.1%	6.6%
HCC131	Renal Failure	62.1%	48.4%
HCC21	Protein-Calorie Malnutrition	21.7%	9.2%
HCC83	Angina Pectoris/Old Myocardial Infarction	19.1%	7.2%
HCC92	Specified Heart Arrhythmias	35.3%	26.4%
HCC80	Congestive Heart Failure	53.7%	45.2%
HCC55	Major Depressive, Bipolar, and Paranoid Disorders	14.9%	6.6%
HCC18	Diabetes with Ophthalmologic or Unspecified Manifestation 1,4	8.7%	1.6%
HCC2	Septicemia/Shock	19.5%	14.3%
HCC79	Cardio-Respiratory Failure and Shock	20.8%	17.2%
HCC10	Breast, Prostate, Colorectal and Other Cancers and Tumors	7.8%	4.9%
HCC7	Metastatic Cancer and Acute Leukemia	8.5%	6.0%
HCC119	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	2.5%	0.1%
HCC148	Decubitus Ulcer of Skin	13.7%	11.4%
HCC82	Unstable Angina and Other Acute Ischemic Heart Disease	3.8%	2.0%
HCC38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	5.9%	4.2%
HCC100	Hemiplegia/Hemiparesis	5.5%	4.0%



HCC CATEG	HCC Desc	Kaiser Medicare Managed Care	CA Medicare Managed Care
HCC105	Vascular Disease	66.1%	35.8%
HCC16	Diabetes with Neurologic or Other Specified Manifestation 1,4	30.4%	16.7%
HCC15	Diabetes with Renal or Peripheral Circulatory Manifestation 1,4	27.6%	15.5%
HCC131	Renal Failure	62.1%	53.0%
HCC21	Protein-Calorie Malnutrition	21.7%	13.1%
HCC71	Polyneuropathy	21.1%	12.8%
HCC83	Angina Pectoris/Old Myocardial Infarction	19.1%	13.0%
HCC80	Congestive Heart Failure	53.7%	48.3%
HCC55	Major Depressive, Bipolar, and Paranoid Disorders	14.9%	9.8%
HCC2	Septicemia/Shock	19.5%	15.0%
HCC18	Diabetes with Ophthalmologic or Unspecified Manifestation 1,4	8.7%	4.4%
HCC92	Specified Heart Arrhythmias	35.3%	31.2%
HCC148	Decubitus Ulcer of Skin	13.7%	10.3%
HCC79	Cardio-Respiratory Failure and Shock	20.8%	18.6%
HCC7	Metastatic Cancer and Acute Leukemia	8.5%	6.7%
HCC10	Breast, Prostate, Colorectal and Other Cancers and Tumors	7.8%	6.4%
HCC119	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	2.5%	1.1%
HCC100	Hemiplegia/Hemiparesis	5.5%	4.3%
HCC38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	5.9%	4.6%
HCC82	Unstable Angina and Other Acute Ischemic Heart Disease	3.8%	2.9%

EXHIBIT 4

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2008 OSHPD DATA

Total Claims 148,310 337,362 10,190 991,298

National Factor $7,463
Readmission Rate 19.00%

HCC CAT	HCC Desc		HCC Weight	Medicare Managed Care Claims: Kaiser Hospitals	All Other CA Hospitals	Medicare Traditional Claims: Traditional - Kaiser	All CA Hospitals Excluding Kaiser Hospitals	Medicare Managed Occurrence Rate: Kaiser Managed Care	CA Managed Care	Medicare Traditional Occurrence Rate: Kaiser Traditional Care	CA Traditional Care	Excess Cases Coded Based on Comparison b/w Kaiser Medicare Managed care vs CA Medicare Traditional Care	Estimated Impact on [illegible] Amount	Estimated Add'l Annual Rebate in Gross Dollars for Kaiser Medicare Managed care vs CA Medicare Traditional Care	Excess Cases Coded Based on Comparison b/w Kaiser Medicare Managed care vs CA Medicare Managed Care	Estimated Add'l Annual Rebate in Gross Dollars for Kaiser Medicare Managed care vs CA Medicare Managed Care	Excess Cases Coded Based on Comparison b/w Kaiser Medicare Managed care vs CA Medicare Traditional Care (Adjusted for Readmission Rate)	Estimated Add'l Annual Rebate in Gross Dollars for Kaiser Medicare Managed care vs CA Medicare Traditional Care (Adjusted for Readmission Rate)	Excess Cases Coded Based on Comparison b/w Kaiser Medicare Managed care vs CA Medicare Managed Care (Adjusted for Readmission Rate)	Estimated Add'l Annual Rebate in Gross Dollars for Kaiser Medicare Managed care vs CA Medicare Managed Care (Adjusted for Readmission Rate)	Difference in occurrence rate for Kaiser Medicare Managed Care vs CA Medicare Managed Care	Difference in occurrence rate for Kaiser Medicare Managed Care vs CA Medicare Traditional care
HCC1	HIV/AIDS		0.735	295	554	42	4,001	0.2%	0.2%	0.4%	0.5%	(364)	$457	($1,997,966.33)	55	$300,246.96	(295)	($1,618,352.73)	44	$243,200.04	0.0%	-0.2%
HCC2	Septicemia/Shock		0.762	12,297	28,084	1,284	94,353	8.4%	8.3%	12.6%	10.5%	(3,020)	$474	($17,172,634.34)	117	$667,027.14	(2,446)	($13,909,833.82)	95	$540,291.98	0.1%	-2.1%
HCC5	Opportunistic Infections		0.476	688	1,477	53	5,853	0.5%	0.4%	0.5%	0.6%	(262)	$296	($931,233.43)	47	$168,533.00	(212)	($754,299.08)	38	$136,311.73	0.0%	-0.2%
HCC111	Aspiration and Specified Bacterial Pneumonias		0.644	9,495	21,474	84,294	83,243	6.5%	6.4%	827.2%	9.2%	(4,018)	$401	($19,312,151.42)	182	$874,600.30	(3,255)	($15,642,842.65)	147	$708,426.24	0.1%	-2.7%
[redacted]		Delete: HCC 111 is higher	[redacted]																			
HCC7	Metastatic Cancer and Acute Leukemia		0.5680	13,950	25,974	679	65,310	9.5%	7.7%	6.7%	7.2%	3,348	$353	$14,191,879.86	2685	$11,383,267.68	2,712	$11,495,422.69	2175	$9,220,446.82	1.8%	2.3%
[redacted]		Delete: HCC 7 is higher	[redacted]																			
HCC15	Diabetes with Renal or Peripheral Circulatory Manifestation		0.466	58,003	72,493	2,909	68,544	39.6%	21.5%	28.5%	7.6%	46,876	$290	$163,023,225.36	26564	$92,381,855.22	37,970	$132,048,812.70	21517	$74,829,302.73	18.2%	32.0%
[redacted]		Delete: HCC 15 is higher	[redacted]																			
HCC21	Protein-Calorie Malnutrition		0.395	10,040	19,161	702	57,850	6.9%	5.7%	6.9%	6.4%	649	$246	$1,913,053.43	1730	$5,100,123.38	526	$1,549,573.28	1401	$4,131,099.93	1.2%	0.4%
HCC25	End-Stage Liver Disease		0.768	2,291	4,744	195	16,649	1.6%	1.4%	1.9%	1.9%	(444)	$478	($2,545,805.88)	234	$1,338,795.05	(360)	($2,062,102.76)	189	$1,084,423.99	0.2%	-0.3%
[redacted]		Delete. HCC 25 is higher	[redacted]																			
HCC31	Intestinal Obstruction/Perforation		0.349	7,171	18,142	450	42,346	4.9%	4.8%	4.4%	4.7%	297	$217	$773,014.57	170	$443,824.69	240	$626,141.80	138	$359,498.00	0.1%	0.2%
HCC32	Pancreatic Disease		0.277	5,282	11,130	458	31,323	3.6%	3.3%	4.5%	3.5%	197	$172	$407,664.40	455	$940,697.70	160	$330,208.17	369	$761,965.14	0.3%	0.1%
HCC33	Inflammatory Bowel Disease		0.263	1,297	2,331	67	5,347	0.9%	0.7%	0.7%	0.6%	429	$164	$842,024.45	286	$561,493.73	347	$682,039.80	232	$454,809.92	0.2%	0.3%
HCC37	Bone/Joint/Muscle Infections/Necrosis		0.482	2,208	4,153	146	14,003	1.5%	1.2%	1.4%	1.6%	(65)	$300	($234,459.67)	407	$1,463,657.72	(53)	($189,879.94)	330	$1,185,562.75	0.3%	0.0%
HCC38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease		0.233	12,200	22,912	681	56,651	8.3%	6.8%	6.7%	6.3%	3,013	$145	$5,238,541.38	2272	$3,951,307.66	2,440	$4,243,218.52	1841	$3,200,559.21	1.6%	2.1%
HCC44	Severe Hematological Disorders		0.477	3,041	6,270	173	20,202	2.1%	1.9%	1.7%	2.2%	(238)	$297	($848,947.93)	322	$1,145,465.62	(193)	($687,647.83)	261	$927,827.15	0.2%	-0.2%
HCC45	Disorders of Immunity		0.443	1,882	3,003	56	8,155	1.1%	0.9%	0.5%	1.0%	196	$276	$647,432.16	380	$1,255,110.10	159	$524,420.05	308	$1,016,639.16	0.3%	0.1%
HCC51	Drug/Alcohol Psychosis	Doesn't affect the calculation as weight is "0"	0.000	2,338	4,108	200	18,556	1.6%	1.2%	2.0%	1.8%	(350)	$0	$0.00	518	$0.00	(283)	$0.00	420	$0.00	0.4%	-0.2%
[redacted]			[redacted]																			
HCC54	Schizophrenia		0.347	1,548	3,576	60,773	60,865	1.1%	1.1%	596.4%	6.8%	(8,332)	$216	($21,578,298.75)	-3	($7,431.98)	(6,749)	($17,478,421.99)	-2	($6,019.91)	0.0%	-5.7%
[redacted]		HCC 55 is higher, substract no. of cases of HCC 55 from HCC 54.	[redacted]																			
HCC67	Quadriplegia, Other Extensive Paralysis		0.337	896	1,691	8,498	8,304	0.6%	0.5%	83.4%	0.9%	(467)	$210	($1,173,600.28)	163	$409,026.65	(378)	($950,616.23)	132	$331,311.58	0.1%	-0.3%
[redacted]		Delete: HCC 67 is higher Substract HCC 67 from HCC 69 Substract HCC 100 from HCC 69 Delete: HCC 100 is higher Substract from HCC 69. HCC 157 is higher than HCC 69	[redacted]																			
HCC70	Muscular Dystrophy		0.000	61	118	470	477	0.0%	0.0%	4.7%	0.1%	(16)	$0	$0.00	10	$0.00	(13)	$0.00	8	$0.00	0.0%	0.0%
HCC71	Polyneuropathy		0.253	22,454	30,669	48,112	47,027	15.3%	9.1%	472.1%	5.2%	14,820	$157	$27,982,036.09	9145	$17,266,153.96	12,004	$22,665,449.23	7407	$13,985,584.71	6.3%	10.1%
HCC72	Multiple Sclerosis		0.174	730	1,296	4,298	4,238	0.5%	0.4%	42.2%	0.5%	42	$108	$54,574.71	168	$218,080.22	34	$44,205.51	136	$176,644.98	0.1%	0.0%
HCC73	Parkinson's and Huntington's Diseases		0.089	5,738	12,759	40,216	39,849	3.9%	3.8%	394.7%	4.4%	(731)	$55	($485,443.28)	205	$135,876.28	(592)	($393,209.06)	166	$110,059.79	0.1%	-0.5%
HCC74	Seizure Disorders and Convulsions		0.165	8,814	18,357	76,559	75,494	5.9%	5.4%	751.3%	8.4%	(3,641)	$103	($4,483,840.79)	653	$803,831.60	(2,949)	($3,631,911.04)	529	$651,103.60	0.4%	-2.5%
HCC77	Respirator Dependence/Tracheostomy Status		1.360	1,998	3,782	19,429	19,181	1.4%	1.1%	190.7%	2.1%	(1,112)	$846	($11,291,401.72)	358	$3,631,457.20	(901)	($9,146,035.40)	290	$2,941,480.33	0.2%	-0.8%
[redacted]		Delete: HCC 77 is higher Substract from HCC77: HCC 79 is higher than 77	[redacted]																			
HCC80	Congestive Heart Failure		0.231	111,345	220,399	555,341	547,410	76.1%	67.1%	5449.9%	60.7%	22,482	$144	$38,757,143.26	13158	$22,684,412.36	18,210	$31,393,286.04	10658	$18,374,374.01	9.0%	15.4%
HCC81	Acute Myocardial Infarction		0.474	6,744	16,494	31,251	30,714	4.6%	4.9%	306.7%	3.4%	3,758	$295	$6,219,080.46	-409	($1,447,731.63)	1,424	$5,037,455.17	-331	($1,172,662.62)	-0.3%	1.2%
[redacted]		Delete: HCC 81 is higher Substract from HCC 81 from 83	[redacted]																			
HCC92	Specified Heart Arrhythmias		0.198	43,912	95,703	219,087	216,558	30.0%	28.4%	2150.0%	24.0%	8,757	$123	$12,940,284.13	2407	$3,556,340.30	7,093	$10,481,630.15	1949	$2,880,635.65	1.6%	6.0%
[redacted]		Same weight for both categories. We will calculate HCC 96 only	[redacted]																			
HCC96	Ischemic or Unspecified Stroke		0.175	4,620	10,867	23,068	22,648	3.2%	3.2%	226.4%	2.5%	952	$109	$1,243,925.71	-93	($120,893.59)	771	$1,007,579.82	-75	($97,923.81)	-0.1%	0.7%
HCC104	Vascular Disease with Complications		0.495	5,745	12,038	29,272	28,915	3.9%	3.6%	287.3%	3.2%	1,051	$308	$3,882,966.43	524	$1,936,708.04	851	$3,145,202.81	425	$1,568,733.51	0.4%	0.7%
[redacted]		Substract 104 from 105 Delete: 105 is higher Same weight for both categories. We will calculate HCC 107 only	[redacted]																			
HCC108	Chronic Obstructive Pulmonary Disease		0.327	36,293	76,978	219,173	217,014	24.8%	22.8%	2150.9%	24.1%	1,064	$203	$2,597,010.72	2952	$7,203,819.70	862	$2,103,578.68	2391	$5,835,093.96	2.0%	0.7%
HCC119	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage		0.527	2,250	2,322	530	408	1.5%	0.7%	5.2%	0.0%	2,193	$328	$8,624,157.11	1252	$4,924,020.65	1,776	$6,985,567.26	1014	$3,988,456.73	0.9%	1.5%
[redacted]		Zero weight. Delete: HCC 131 is higher	[redacted]																			
HCC148	Decubitus Ulcer of Skin		0.474	15,501	27,705	78,186	76,665	10.6%	8.2%	767.3%	8.5%	3,023	$295	$10,694,350.15	3486	$12,330,395.91	2,449	$8,662,423.62	2823	$9,987,620.69	2.4%	2.1%
HCC150	Extensive Third-Degree Burns		0.000	3	11	71	71	0.0%	0.0%	0.7%	0.0%	(9)	$0	$0.00	-2	$0.00	(7)	$0.00	-1	$0.00	0.0%	0.0%
[redacted]		Zero weight	[redacted]																			
HCC158	Hip Fracture/Dislocation		0.000	4,652	11,790	26,335	26,067	3.3%	3.5%	258.4%	2.9%	620	$0	$0.00	-261	$0.00	503	$0.00	-212	$0.00	-0.2%	0.4%
[redacted]		Same weights. We will calculate HCC 177 only	[redacted]																			
HCC177	Amputation Status, Lower Limb/Amputation Complications		0.224	3,315	5,964	19,456	19,131	2.3%	1.8%	190.9%	2.1%	209	$139	$350,025.71	728	$1,217,812.33	170	$283,520.82	590	$986,427.98	0.5%	0.1%
HCC164	Major Complications of Medical Care and Trauma		0.219	9,492	20,060	52,827	52,320	6.5%	5.9%	518.4%	5.8%	999	$136	$1,632,218.19	792	$1,294,785.42	809	$1,322,096.73	642	$1,048,776.19	0.5%	0.7%
HCC174	Major Organ Transplant Status		0.362	501	1,001	4,590	4,562	0.3%	0.3%	45.0%	0.5%	(240)	$225	($647,221.85)	67	$180,677.66	(194)	($524,249.70)	54	$146,348.90	0.0%	-0.2%
HCC176	Artificial Openings for Feeding or Elimination		0.843	3,705	7,997	36,216	35,853	2.5%	2.4%	355.4%	4.0%	(2,115)	$524	($13,307,209.35)	237	$1,489,741.29	(1,713)	($10,778,839.58)	192	$1,206,690.44	0.2%	-1.4%
[redacted]			[redacted]																			

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2009 OSHPD DATA

			Total Claims	160,053	349,963	10,163	996,671					National Factor	$7,663							
												Readmission Rate	19.00%							
HCC Number	HCC Name		HCC Weight	Kaiser Claims Count	Other Claims Count	Kaiser Claims Percentage	Other Claims Percentage	Kaiser Principal Diagnosis %	Other Principal Diagnosis %	Kaiser Secondary Diagnosis %	Other Secondary Diagnosis %	Kaiser Claims Average Payment to Hospital for Treatment of Principal Diagnosis	Kaiser Claims Count	Estimated Kaiser Annual Payment to Hospital for Treatment of Principal Diagnosis	Kaiser Claims Average Payment to Hospital for Treatment of Secondary Diagnosis	Kaiser Claims Count	Estimated Kaiser Annual Payment to Hospital for Treatment of Secondary Diagnosis	Other Claims Average Payment to Hospital for Treatment of Principal Diagnosis	Other Claims Count	Estimated Other Annual Payment to Hospital for Treatment of Principal Diagnosis	Other Claims Average Payment to Hospital for Treatment of Secondary Diagnosis	Other Claims Count	Estimated Other Annual Payment to Hospital for Treatment of Secondary Diagnosis	Difference in Per Claim Payment for Principal Diagnosis
1	HIV/AIDS		0.967	318	586	38	4,214	0.2%	0.2%	0.4%	0.5%	($88)	$601	($2,803,338.77)	60	$433,740.19	($315)	($2,370,704.61)	49	$351,329.55	$836.84%
2	Septicemia/Shock		0.764	14,080	29,965	1,530	99,411	9.4%	8.8%	15.1%	10.7%	(1,915)	$475	($10,919,110.69)	892	$5,088,453.70	(1,553)	($8,844,479.56)	723	$4,121,647.50	$20.21%
5	Opportunistic Infections		0.288	658	1,536	56	5,846	0.4%	0.5%	0.6%	0.7%	($22)	$179	($692,185.44)	-18	($36,670.41)	($261)	($560,670.21)	-15	($31,323.04)	$175.00%
111	Aspiration and Specified Bacterial Pneumonias	Delete: HCC 5 and 111 are higher	0.573	5,436	12,751	564	50,670	3.5%	3.7%	5.6%	5.7%	($1,059)	$396	($13,679,063.90)	-176	($751,343.89)	($2,477)	($10,594,057.96)	-142	($608,588.50)	$957.04%
7	Metastatic Cancer and Acute Leukemia	Delete: HCC 7 higher	0.824	11,456	21,408	636	53,781	7.6%	5.3%	6.3%	5.8%	2,775	$512	$17,066,386.39	2034	$12,510,333.66	2,748	$13,823,772.98	1648	$10,133,386.48	$1801.26%
15	Diabetes with Renal or Peripheral Circulatory Manifestation1	Delete: HCC 15 is higher	0.468	34,538	42,137	1,774	39,430	35.0%	32.4%	37.0%	4.4%	27,674	$285	$95,667,186.33	25994	$54,786,203.54	22,622	$77,490,470.97	19725	$44,376,724.58	$1346.92%
21	Protein-Calorie Malnutrition		0.374	17,979	17,320	1,256	64,340	12.0%	8.0%	12.3%	7.3%	7,092	$233	$19,795,532.59	9856	$16,622,768.86	5,745	$16,034,381.40	4824	$13,464,442.77	$1438.33%
25	End-Stage Liver Disease	Delete: HCC 25 is higher	0.664	2,317	4,764	257	17,099	1.5%	1.4%	2.5%	1.9%	($50)	$407	($2,642,192.78)	220	$1,075,579.42	($445)	($2,172,576.13)	178	($871,219.33)	$901.56%
31	Intestinal Obstruction/Perforation		0.345	7,267	16,477	497	42,857	4.8%	4.8%	4.9%	4.8%	92	$115	$231,886.86	15	$39,888.75	67	$171,628.36	13	$32,509.89	$76.77%
32	Pancreatic Disease		0.306	3,501	6,968	240	18,520	2.3%	2.0%	2.4%	2.1%	396	$192	$913,753.61	434	$1,001,736.34	321	$740,140.43	352	$811,406.43	$1458.75%
33	Inflammatory Bowel Disease		0.205	1,393	2,377	87	5,378	0.9%	0.7%	0.9%	0.6%	493	$127	$753,810.00	347	$530,704.86	398	$608,973.39	281	$429,870.84	$601.15%
37	Bone,Joint/Muscle Infections/Necrosis		0.467	2,167	4,006	129	13,660	1.4%	1.2%	1.3%	1.5%	(183)	$309	($678,814.51)	344	$1,275,801.68	(148)	($549,838.76)	279	$1,033,589.17	$1633.33%
38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease		0.215	7,963	14,703	395	34,127	5.3%	4.3%	3.9%	3.8%	2,242	$134	$3,597,107.48	1492	$2,394,346.35	1,816	$2,913,657.06	1299	$1,939,429.54	$2015.95%
44	Severe Hematological Disorders		0.493	3,011	6,294	246	21,298	2.0%	1.8%	2.4%	2.4%	($60)	$307	($2,059,070.91)	241	$886,768.63	($45)	($1,667,847.44)	195	$718,282.59	$1813.19%
45	Disorders of Immunity	Zero weight	0.427	3,110	7,027	67	6,201	0.7%	0.6%	0.7%	0.7%	70	$266	$224,476.05	218	$694,445.15	57	$181,825.60	177	$565,500.57	$1668.72%
54	Schizophrenia	substract HCC 54 from 55	0.351	887	2,169	192	37,075	0.6%	0.6%	1.9%	4.1%	(5,328)	$218	($13,957,765.80)	-68	($177,011.65)	(4,316)	($11,305,806.50)	-55	($143,379.43)	$1581.98%
55	Delusional Disorders	Delete: same weight as HCC 56, only 56 will be calculated	0.351	887	2,169	192	37,075	0.6%	0.6%	1.9%	4.1%	(5,328)	$218	($13,957,765.80)	-68	($177,011.65)	(4,316)	($11,305,806.50)	-55	($143,379.43)	$1581.98%
96	Paraplegia	Substract HCC 68 from 69 Substract HCC 69 from 100	0.434	585	1,095	39	3,900	0.4%	0.3%	0.4%	0.7%	(404)	$270	($1,308,849.13)	303	$333,908.47	(327)	($1,060,167.80)	84	$85,941.34	$1500.00%
70	Muscular Dystrophy3		0	79	183	7	486	0.1%	0.0%	0.1%	0.1%	(7)	$0	$0.00	7	$0.00	(2)	$0.00	5	$0.00	$0.00%
71	Polyneuropathy		0.225	24,803	33,279	1,340	47,751	16.5%	9.5%	11.2%	5.5%	16,803	$140	$28,214,919.67	10162	$17,063,696.82	13,610	$22,854,084.93	8231	$13,823,584.47	$637% 134%
72	Multiple Sclerosis		0.145	767	1,328	75	4,209	0.5%	0.4%	0.7%	0.5%	61	$90	$66,429.81	183	$197,542.46	50	$53,808.15	148	$160,009.40	$102.67%
73	Parkinson's and Huntington's Diseases		0.092	3,022	6,508	193	19,976	2.0%	1.9%	1.9%	2.2%	(327)	$57	($224,414.06)	158	$108,370.34	(265)	($181,775.39)	128	$87,779.98	$65.80%
74	Seizure Disorders and Convulsions		0.177	5,672	12,056	649	48,055	3.6%	3.5%	6.4%	5.4%	(2,584)	$110	($3,149,302.05)	366	$433,681.42	(1,931)	($2,356,934.66)	297	$361,780.75	$224.56%
77	Respirator Dependence/Tracheostomy Status	Delete: HCC 77 is higher	1.559	1,421	2,684	167	12,958	0.9%	0.8%	1.6%	1.4%	(748)	$970	($8,702,540.44)	240	$3,799,736.73	(606)	($7,049,057.76)	194	$2,459,686.75	$1,556.70%
80	Congestive Heart Failure	Substract HCC 77 from HCC 79	0.228	72,306	147,053	4,689	353,438	48.2%	43.1%	46.1%	39.5%	13,054	$142	$22,212,814.67	7589	$12,913,227.08	10,574	$17,992,379.84	6147	$10,459,713.93	$1542.08%
81	Acute Myocardial Infarction	Delete: HCC 81 is higher substract 81 from 83	0.424	5,956	15,570	482	39,299	4.0%	4.6%	4.7%	3.3%	1,045	$264	$3,306,320.86	896	$2,835,292.20	846	$2,678,139.90	-716	($2,267,387.49)	$1255.68%
92	Specified Heart Arrhythmias	Delete: same weight as HCC 96 Only 96 will be used	0.207	45,379	88,464	2,642	218,824	30.2%	26.9%	26.0%	24.4%	8,639	$129	$13,431,679.48	2045	$3,159,575.24	7,043	$10,879,660.95	1657	$2,559,093.84	$1717.68%
96	Ischemic or Unspecified Stroke		0.179	4,551	10,787	428	32,765	3.0%	3.2%	4.2%	3.5%	755	$111	$983,325.93	-196	($262,293.52)	595	$794,872.38	-159	($212,457.75)	1063.30%
104	Vascular Diseases with Complications	substract HCC 104 from HCC 105 Delete: HCC 105 is higher	0.482	5,327	11,002	376	25,900	3.6%	3.2%	3.7%	2.9%	985	$306	$3,543,511.82	485	$1,764,744.94	788	$2,870,082.17	393	$1,431,243.69	$1416.76%
107	Cystic Fibrosis	Substract HCC 107 from HCC 108	0.831	16	23	0	414	0.0%	0.0%	0.0%	0.0%	(53)	$392	($251,489.89)	8	$27,679.12	(43)	($205,706.83)	5	$22,420.09	#DIV/0!
119	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	substract HCC 130 from HCC 131 Delete: HCC 131 is higher	0.497	3,083	3,064	186	487	2.1%	0.9%	1.8%	0.1%	3,001	$309	$11,132,368.21	1735	$6,433,591.50	2,431	$9,017,218.25	1405	$5,211,209.11	$1657.53%
130	Dialysis Status		1.718	6,397	11,265	788	42,063	4.4%	3.3%	7.8%	4.7%	(455)	$1,068	($5,828,576.27)	1639	$21,018,012.92	(366)	($4,721,346.78)	1328	$17,034,590.46	$837.18%
148	Decubitus Ulcer of Skin		0.485	19,639	37,046	1,820	115,944	13.1%	10.9%	17.9%	13.0%	202	$302	$730,139.12	3335	$12,071,579.78	163	$591,412.69	2701	$9,777,979.62	1079.67%
150	Extensive Third-Degree Burns3		0	3	16	0	69	0.0%	0.0%	0.0%	0.0%	(9)	$0	$0.00	-4	$0.00	(7)	$0.00	-3	$0.00	#DIV/0!
154	Severe Head Injury3		0	30	160	1	367	0.0%	0.0%	0.0%	0.0%	(52)	$0	$0.00	-40	$0.00	(26)	$0.00	-33	$0.00	3000.00%
75	Coma, Brain Compression/Anoxic Damage3		0	1,089	3,165	252	11,256	0.7%	0.9%	2.5%	3.3%	(797)	$0	$0.00	-304	$0.00	(646)	$0.00	-246	$0.00	432.14%
155	Major Head Injury3		0	1,510	3,879	105	9,347	1.0%	1.1%	1.0%	1.0%	(57)	$0	$0.00	-197	$0.00	(46)	$0.00	-160	$0.00	1438.10%
158	Hip Fracture/Dislocation3	Delete: same weight. Only HCC 177 will be used	0	4,648	13,037	243	23,506	3.1%	3.7%	2.4%	2.6%	707	$0	$0.00	-309	$0.00	573	$0.00	-170	$0.00	1574.19%
177	Amputation Status, Lower Limb / Amputation Complications		0.28	3,510	6,086	263	18,634	2.3%	1.8%	2.6%	2.1%	986	$162	$749,234.25	832	$1,613,340.09	813	$606,879.76	674	$1,306,967.47	1334.68%
164	Major Complications of Medical Care and Trauma		0.308	9,320	19,780	460	31,002	6.2%	5.8%	4.5%	5.7%	770	$192	$1,775,295.29	615	$1,417,876.29	624	$1,437,989.19	498	$1,148,679.79	2026.09%
174	Major Organ Transplant Status		0.92	520	1,143	34	4,814	0.4%	0.3%	0.3%	0.5%	(187)	$572	($1,284,186.47)	117	$803,091.38	(151)	($1,040,191.04)	95	$650,504.53	1823.53%
176	Artificial Openings for Feeding or Elimination		0.841	4,349	9,721	339	36,654	2.8%	2.6%	3.3%	4.1%	(1,996)	$553	($13,326,477.59)	311	$1,951,318.20	(1,617)	($10,148,447.17)	252	$1,580,567.74	$1222.89%

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2010 OSHPD DATA

National Factor: $7,463
Readmission Rate: 19.00%

HCC CATEG	HCC Descr		HCC Weight	Medicare Managed Care Claims: Kaiser Hospitals	Medicare Managed Care Claims: All Other CA Hospitals	Medicare Traditional Claims: Traditional - Kaiser	Medicare Traditional Claims: All CA Hospitals excluding Kaiser Hospitals	Medicare Mgd Occurrence Rate: Kaiser Managed Care	Medicare Mgd Occurrence Rate: CA Managed Care	Medicare Traditional Occurrence Rate: Kaiser Traditional Care	Medicare Traditional Occurrence Rate: CA Traditional Care	Excess Cases Coded Based on Comparison b/w Kaiser Managed care vs CA Traditional Care	Estimated Impact on PMPM: Amount	Estimated Add'l Annual Reimb in Gross Dollars for Kaiser Managed care vs CA Traditional Care	Excess Cases Coded Based on Comparison b/w Kaiser Managed care vs CA Managed Care	Estimated Add'l Annual Reimb in Gross Dollars for Kaiser Managed care vs CA Managed Care	Excess Cases Coded Based on Comparison b/w Kaiser Managed care vs CA Traditional Care (Adjusted for Readmission Rate)	Estimated Add'l Annual Reimb in Gross Dollars for Kaiser Managed care vs CA Traditional Care (Adjusted for Readmission Rate)	Excess Cases Coded Based on Comparison b/w Kaiser Managed care vs CA Managed Care (Adjusted for Readmission Rate)	Estimated Add'l Annual Reimb in Gross Dollars for Kaiser Managed care vs CA Managed Care (Adjusted for Readmission Rate)	Percentage of Kaiser Managed Care Claims to Kaiser Traditional Care Claims
			Total Claims	157,505	355,261	10,724	912,901														
1	HIV/AIDS		0.967	368	661	59	4,033	0.2%	0.2%	0.6%	0.4%	(328)	$601	($2,365,808.33)	75	$540,861.37	(266)	($1,916,304.75)	61	$438,097.71	623.73%
2	Septicemia/Shock		0.764	19,111	37,614	1,877	105,310	12.1%	10.6%	17.5%	11.5%	942	$475	$5,368,825.05	2435	$13,882,744.28	763	$4,348,748.29	1972	$11,245,022.87	1018.17%
5	Opportunistic Infections		0.268	712	1,514	70	5,919	0.5%	0.4%	0.7%	0.6%	(309)	$179	($664,618.59)	41	$87,624.34	(250)	($538,341.06)	33	$70,975.72	1017.14%
111	Aspiration and Specified Bacterial Pneumonias		0.573	5,673	13,326	597	52,646	3.6%	3.8%	5.6%	5.8%	(3,410)	$356	($14,582,781.27)	-235	($1,005,287.07)	(2,762)	($11,812,052.83)	-190	($814,282.52)	950.25%
[redacted]		Delete: HCC 5 and 111 are higher																			
7	Metastatic Cancer and Acute Leukemia		0.824	11,691	21,747	843	52,756	7.5%	6.1%	6.0%	5.8%	2,789	$512	$17,150,235.54	2249	$13,833,114.27	2,259	$13,891,706.99	1822	$11,204,822.56	1849.30%
[redacted]		Delete: HCC 7 higher																			
15	Diabetes with Renal or Peripheral Circulatory Manifestation1		0.459	38,908	49,479	2,126	41,460	24.7%	13.9%	19.8%	4.5%	31,755	$285	$108,776,630.25	16971	$58,136,094.57	25,721	$88,109,070.50	13747	$47,090,236.60	1830.10%
[redacted]		Delete: HCC 15 is higher																			
21	Protein-Calorie Malnutrition		0.374	24,050	38,515	1,865	77,253	15.3%	10.3%	15.5%	8.5%	10,721	$233	$29,925,037.39	7861	$21,941,522.89	8,684	$24,239,280.29	6367	$17,772,633.54	1444.44%
25	End-Stage Liver Disease		0.654	2,840	5,617	291	18,589	1.8%	1.6%	2.7%	2.0%	(367)	$407	($1,792,253.79)	350	$1,706,828.59	(297)	($1,451,725.57)	283	$1,382,531.16	975.95%
[redacted]		Delete: HCC 25 is higher																			
31	Intestinal Obstruction/Perforation		0.345	7,791	17,311	486	42,526	4.9%	4.9%	4.5%	4.7%	454	$215	$1,168,639.21	116	$299,097.73	368	$946,597.76	94	$242,269.16	16[illegible]%
32	Pancreatic Disease		0.309	3,978	7,520	347	19,557	2.5%	2.1%	3.2%	2.1%	602	$192	$1,387,753.91	642	$1,480,511.72	487	$1,124,080.67	520	$1,199,214.50	1145.82%
33	Inflammatory Bowel Disease		0.205	1,561	2,631	89	5,578	1.0%	0.7%	0.8%	0.6%	599	$127	$915,828.96	395	$603,621.67	485	$741,821.46	320	$488,933.55	1753.93%
37	Bone/Joint/Muscle Infections/Necrosis		0.497	2,335	4,375	171	14,197	1.5%	1.2%	1.6%	1.6%	(114)	$309	($424,479.84)	395	$1,466,372.22	(93)	($343,828.67)	320	$1,187,761.50	1365.50%
38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease		0.215	8,745	16,214	525	38,385	5.6%	4.6%	4.9%	4.0%	2,467	$134	$3,959,068.21	1557	$2,497,508.75	1,999	$3,206,845.25	1261	$2,022,982.08	1669.71%
44	Severe Hematological Disorders		0.493	3,329	6,915	278	23,063	2.1%	1.9%	2.6%	2.5%	(654)	$307	($2,404,636.29)	263	$968,506.27	(529)	($1,947,755.40)	213	$784,490.08	1197.48%
45	Disorders of Immunity		0.427	1,268	2,260	60	6,406	0.8%	0.6%	0.6%	0.7%	163	$266	$518,659.33	266	$847,754.16	132	$420,114.05	215	$686,680.87	21[illegible]%
[redacted]		Weight is Zero																			
54	Schizophrenia		0.351	1,015	2,645	239	38,986	0.6%	0.7%	2.2%	4.3%	(5,708)	$218	($14,951,911.64)	-158	($412,995.08)	(4,623)	($12,111,048.43)	-128	($334,526.01)	4[illegible]%
[redacted]		subtract HCC 54 from 55																			
67	Quadriplegia, Other Extensive Paralysis		0.434	576	1,067	71	5,394	0.4%	0.3%	0.7%	0.6%	(355)	$270	($1,148,657.62)	103	$333,434.32	(287)	($930,412.67)	83	$270,081.80	811.22%
[redacted]		[redacted] Delete																			
70	Muscular Dystrophy3		0	87	164	6	500	0.1%	0.0%	0.1%	0.1%	1	$0	$0.00	14	$0.00	1	$0.00	12	$0.00	1450.00%
71	Polyneuropathy		0.225	28,361	38,941	1,490	52,125	18.0%	11.0%	13.9%	5.7%	19,368	$140	$32,521,839.39	11097	$18,632,971.67	15,688	$26,342,689.90	8988	$15,092,707.05	1903.42%
72	Multiple Sclerosis		0.145	775	1,423	80	4,311	0.5%	0.4%	0.7%	0.5%	31	$90	$33,776.49	144	$155,949.51	25	$27,358.96	117	$126,319.11	968.75%
73	Parkinson's and Huntington's Diseases		0.092	3,125	6,767	167	19,990	2.0%	1.9%	1.6%	2.2%	(324)	$57	($222,404.01)	125	$85,721.42	(262)	($180,147.25)	101	$69,434.35	18[illegible]%
74	Seizure Disorders and Convulsions		0.177	5,973	12,722	665	49,566	3.8%	3.6%	6.2%	5.4%	(2,579)	$110	($3,406,390.39)	333	$439,480.43	(2,089)	($2,759,176.21)	269	$355,979.15	898.20%
77	Respirator Dependence/Tracheostomy Status		1.559	1,462	2,660	197	13,130	0.9%	0.8%	1.8%	1.4%	(803)	$970	($9,346,834.95)	274	$3,185,665.73	(651)	($7,570,936.31)	222	$2,580,551.24	742.13%
[redacted]		Delete Substract HCC 77 from 79																			
80	Congestive Heart Failure		0.228	60,546	162,455	5,613	378,866	51.1%	45.7%	52.3%	41.5%	15,181	$142	$25,832,021.52	8524	$14,503,381.91	12,297	$20,923,937.43	6904	$11,747,739.35	1435.03%
81	Acute Myocardial Infarction		0.424	6,740	16,632	523	30,478	4.3%	4.7%	4.9%	3.3%	1,482	$264	$4,688,110.27	-634	($2,005,537.37)	1,200	$3,797,369.32	-513	($1,624,485.27)	1288.72%
[redacted]		Delete substract HCC 81 from 83																			
92	Specified Heart Arrhythmias		0.207	50,147	106,277	3,008	226,767	31.8%	29.9%	28.0%	24.8%	11,022	$129	$17,027,771.05	3029	$4,679,449.12	8,928	$13,792,494.55	2454	$3,790,353.78	1667.12%
[redacted]		Same weight as HCC 96, only HCC 96 will be used																			
96	Ischemic or Unspecified Stroke		0.179	4,963	11,549	499	23,112	3.2%	3.3%	4.7%	2.5%	975	$111	$1,303,056.08	-157	($210,067.07)	790	$1,055,475.43	-127	($170,154.33)	994.59%
104	Vascular Disease with Complications		0.482	8,013	11,946	395	26,819	3.8%	3.4%	3.7%	2.9%	1,386	$300	$4,985,145.37	717	$2,578,231.68	1,123	$4,037,967.75	581	$2,088,367.66	1522.28%
[redacted]		Substract HCC 104 from 105 Delete																			
107	Cystic Fibrosis		0.831	27	35	4	481	0.0%	0.0%	0.0%	0.1%	(53)	$392	($247,406.83)	11	$54,074.01	(43)	($200,399.53)	9	$43,799.95	675.00%
[redacted]		Substract hcc 107 from 108																			
119	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage		0.497	3,676	3,777	249	537	2.3%	1.1%	2.3%	0.1%	3,585	$309	$13,298,461.50	2003	$7,431,080.27	2,904	$10,771,753.82	1623	$6,019,175.02	1477.11%
130	Dialysis Status		1.718	7,572	13,362	821	47,809	4.8%	3.8%	7.7%	5.2%	(677)	$1,068	($8,675,001.29)	1648	$21,129,158.57	(548)	($7,026,751.05)	1335	$17,114,618.44	922.29%
[redacted]		substract HCC 130 from 131 Delete																			
148	Decubitus Ulcer of Skin		0.485	21,242	40,226	1,677	120,849	13.5%	11.3%	17.5%	13.2%	392	$302	$1,417,533.77	3408	$12,334,715.41	317	$1,148,202.36	2760	$9,991,119.49	1131.70%
150	Extensive Third-Degree Burns3		0	5	16	0	63	0.0%	0.0%	0.0%	0.0%	(6)	$0	$0.00	-2	$0.00	(5)	$0.00	-2	$0.00	#DIV/0!
[redacted]		Zero Weight																			
158	Hip Fracture/Dislocation3		0	4,750	11,331	268	23,907	3.0%	3.2%	2.5%	2.6%	625	$0	$0.00	-274	$0.00	506	$0.00	-222	$0.00	1772.39%
[redacted]		Same weight as HCC 177, only HCC 177 will be used																			
[redacted]	Amputation Status, Lower Limb / Amputation Complications		0.26	3,857	8,477	318	19,173	2.3%	1.8%	3.0%	2.1%	349	$162	$677,263.07	785	$1,524,015.98	283	$548,583.08	636	$1,234,452.94	1150.00%
164	Major Complications of Medical Care and Trauma		0.309	10,634	21,243	669	50,964	6.8%	6.0%	6.2%	5.6%	1,841	$192	$4,245,604.93	1216	$2,803,978.73	1,491	$3,438,939.99	985	$2,271,222.77	1589.54%
174	Major Organ Transplant Status		0.92	704	1,326	63	5,074	0.4%	0.4%	0.6%	0.6%	(171)	$572	($1,177,027.37)	115	$791,171.89	(139)	($953,392.17)	93	$640,849.23	1117.46%
176	Artificial Openings for Feeding or Elimination		0.641	4,404	9,075	398	37,681	2.8%	2.6%	3.7%	4.1%	(2,097)	$523	($13,162,788.65)	381	$2,388,777.81	(1,699)	($10,661,858.81)	308	$1,934,910.02	1106.53%
				[illegible]	[illegible]	[illegible]	[illegible]							[illegible]		[illegible]		[illegible]		[illegible]	[illegible]

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2011 OSHPD DATA

				Total Claims	153,905	348,770	12,335	918,059					National Factor	$8,826								
													Readmission Rate	19.90%								
				Medicare Managed Care Claims			Medicare Fee-for-Service Claims		Medicare Risk Differential Score Data													
HHS CATEG	HCC Description		HCC Weight	Kaiser	All Other	Kaiser	All Other Hospitals	Kaiser Managed Risk	All Other Risk	Kaiser Traditional Risk	All Other Traditional Risk	Excess Dollars Costed Based on Comparison Risk Kaiser Managed care vs CA Traditional Care	Estimated Impact on Years	Estimated Add'l Annual Revenue Dollars for Kaiser Managed care vs CA Traditional Care	Excess Dollars Costed Based on Comparison for Kaiser Managed care vs CA Managed Care	Estimated Add'l Annual Revenue Dollars for Kaiser Managed care vs CA Managed Care	Excess Dollars Costed Based on Comparison for Kaiser Managed care vs CA Traditional Care (Adjusted for Readmission Rates)	Estimated Add'l Annual Revenue Dollars for Kaiser Managed care vs CA Traditional Care (Adjusted for Readmission Rates)	Excess Dollars Costed Based on Comparison for Kaiser Managed Care (Adjusted for Readmission Rates)	Estimated Add'l Annual Revenue Dollars for Kaiser Managed care vs CA Managed Care (Adjusted for Readmission Rates)	Percentage of Kaiser Managed Care Claims in Kaiser Traditional Care Claims
1	HIV/AIDS		0.967	362	859	74	3,880	0.25%	0.19%	0.60%	0.42%	(265)	$647	($2,059,688.90)	91	$708,560.25	(215)	($1,668,348.01)	74	$573,931.80	516.22%
2	Septicemia/Shock		0.764	23,658	43,015	2,494	113,670	15.50%	12.33%	20.22%	12.38%	4,800	$512	$29,465,897.85	4875	$29,926,819.28	3,888	$23,867,377.16	3949	$24,240,723.62	956.54%
5	Opportunistic Infections		0.268	877	1,567	40	6,035	0.44%	0.45%	0.33%	0.66%	(335)	$193	($774,535.92)	-14	($33,517.65)	(271)	($627,374.10)	-12	($27,149.30)	1892.50%
111	Aspiration and Specified Bacterial Pneumonias		0.573	5,817	13,648	0	54,450	3.78%	3.91%	0.00%	5.93%	(3,811)	$384	($15,243,900.66)	-705	($942,407.08)	(2,482)	($13,741,559.53)	-164	($767,849.74)	#DIV/0!
		Delete																				
7	Metastatic Cancer and Acute Leukemia		0.824	12,502	22,328	856	53,029	8.12%	6.40%	6.96%	5.78%	3,613	$552	$23,921,108.74	2649	$17,538,730.88	2,927	$19,376,098.08	2146	$14,206,372.02	1457.11%
		Delete																				
15	Diabetes with Renal or Peripheral Circulatory Manifestation		0.459	40,433	82,030	4	44,001	26.27%	14.92%	0.03%	4.79%	33,057	$307	$121,910,475.27	17473	$64,440,101.52	26,776	$98,747,484.97	14159	$52,196,482.23	1010825.00%
		Delete																				
21	Protein-Calorie Malnutrition		0.374	26,405	39,650	2,075	80,690	17.16%	11.37%	16.82%	8.79%	12,878	$250	$38,698,118.37	8908	$26,769,197.86	10,431	$31,345,475.88	7216	$21,683,050.27	1272.53%
26	End-Stage Liver Disease		0.854	3,206	6,416	224	20,772	2.08%	1.84%	1.82%	2.26%	(276)	$438	($1,451,632.19)	375	$1,969,209.73	(224)	($1,175,822.07)	304	$1,595,058.26	1431.25%
		Delete																				
31	Intestinal Obstruction/Perforation		0.345	7,990	17,229	570	45,241	5.20%	4.94%	4.62%	4.71%	750	$231	$2,078,992.04	396	$1,098,251.00	608	$1,683,983.55	321	$889,583.31	1403.33%
32	Pancreatic Disease		0.309	4,057	7,899	404	20,027	2.64%	2.26%	3.28%	2.18%	700	$207	$1,737,011.64	576	$1,429,422.15	567	$1,406,979.45	466	$1,157,831.94	1904.23%
33	Inflammatory Bowel Disease		0.205	1,564	2,749	4	5,984	1.02%	0.79%	0.03%	0.65%	563	$137	$923,754.91	351	$578,030.83	454	$748,241.48	284	$468,188.77	39100.00%
37	Bone/Joint/Muscle Infections/Necrosis		0.497	2,584	4,844	198	15,188	1.68%	1.39%	1.61%	1.65%	58	$333	$153,174.05	446	$1,782,758.15	31	$122,450.98	362	$1,444,074.10	1268.49%
38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease		0.215	8,594	16,068	618	37,701	5.58%	4.60%	4.99%	4.11%	2,274	$144	$3,927,799.36	1508	$2,604,903.37	1,842	$3,181,517.46	1221	$2,109,971.73	1395.13%
44	Severe Hematological Disorders		0.493	2,840	5,990	219	20,358	1.85%	1.72%	1.78%	2.22%	(573)	$330	($2,269,124.46)	197	$779,296.01	(464)	($1,837,990.81)	159	$631,229.77	1296.80%
45	Disorders of Immunity		0.427	1,336	2,378	67	7,172	0.87%	0.68%	0.54%	0.78%	134	$286	$458,609.89	286	$981,888.73	108	$373,474.01	232	$795,329.87	1994.03%
		Zero Weight																				
54	Schizophrenia		0.351	1,034	3,096	146	40,296	0.67%	0.87%	1.18%	4.39%	(5,722)	$235	($16,136,034.93)	-306	($862,198.02)	(4,635)	($13,070,188.29)	-248	($698,380.40)	708.22%
		Distinct HCC 54 from																				
67	Quadriplegia, Other Extensive Paralysis		0.434	556	1,135	77	5,852	0.36%	0.32%	0.62%	0.64%	(425)	$291	($1,482,139.69)	57	$199,998.23	(344)	($1,200,533.15)	46	$161,998.57	722.08%
		Distinct HCC 67 from																				
		Delete																				
70	Muscular Dystrophy3		0	66	147	0	480	0.04%	0.04%	0.00%	0.05%	(34)	$0	$0.00	1	$0.00	(32)	$0.00	1	$0.00	#DIV/0!
71	Polyneuropathy		0.225	29,264	41,071	1,887	55,363	19.03%	11.78%	15.30%	6.03%	20,003	$151	$36,161,348.78	11160	$20,175,546.73	16,202	$29,290,692.51	9040	$16,342,192.85	1551.88%
72	Multiple Sclerosis		0.145	829	1,445	80	4,677	0.54%	0.41%	0.65%	0.51%	45	$97	$52,356.34	191	$222,930.61	36	$42,408.48	155	$180,573.79	1038.23%
73	Parkinson's and Huntington's Diseases		0.092	2,786	6,084	9	20,021	1.81%	1.74%	0.04%	2.18%	(570)	$62	($421,602.68)	101	$748,848.07	(463)	($341,498.17)	82	$60,626.92	$5720.00%
74	Seizure Disorders and Convulsions		0.177	5,618	12,709	755	50,960	3.78%	3.64%	6.12%	5.55%	(2,725)	$119	($3,875,373.68)	210	$298,338.30	(2,207)	($3,139,052.67)	170	$241,654.02	770.60%
77	Respirator Dependence/Tracheostomy Status		1.859	1,290	2,716	198	13,929	0.84%	0.78%	1.61%	1.52%	(1,045)	$1,044	($13,090,811.01)	91	$1,145,954.91	(847)	($10,603,556.92)	74	$928,233.47	651.52%
		Distinct HCC 77 from																				
80	Congestive Heart Failure		0.228	61,676	165,851	812	394,786	53.07%	47.50%	4.96%	43.00%	15,458	$153	$28,390,543.77	8578	$15,713,486.54	12,553	$22,998,340.45	6948	$12,727,924.10	13345.75%
81	Acute Myocardial Infarction		0.424	8,799	16,754	590	31,169	4.42%	4.80%	4.78%	3.40%	1,570	$284	$5,349,983.55	-594	($2,024,251.79)	1,272	$4,333,486.68	-481	($1,639,643.93)	1152.37%
		Delete																				
		Distinct HCC 81 from																				
92	Specified Heart Arrhythmias		0.207	50,642	105,563	0	235,844	31.90%	30.17%	0.00%	25.66%	11,155	$139	$18,552,621.84	4059	$6,751,746.41	9,036	$15,027,785.69	3288	$5,468,509.59	#DIV/0!
		Same weight as HCC																				
96	Ischemic or Unspecified Stroke		0.179	4,873	11,404	0	24,241	3.17%	3.27%	0.00%	2.64%	809	$120	$1,163,797.43	-159	($229,178.89)	655	$942,675.91	-129	($185,634.90)	#DIV/0!
104	Vascular Disease with Complications		0.482	6,224	12,296	488	27,301	4.04%	3.51%	3.96%	3.00%	3,614	$323	$6,249,385.71	836	$3,158,909.55	1,307	$5,061,986.23	661	$2,558,716.73	1275.41%
148	Decubitus Ulcer of Skin		0.485	20,677	38,078	2,126	118,396	13.43%	10.92%	17.24%	12.90%	829	$325	$3,230,045.49	3874	$15,096,199.07	671	$4,616,336.85	3138	$12,727,921.24	977.58%
		Same weight as HCC																				
107	Cystic Fibrosis		0.831	24	41	0	526	0.02%	0.01%	0.00%	0.06%	(64)	$422	($325,384.03)	6	$29,950.68	(52)	($263,561.07)	5	$24,260.05	#DIV/0!
		Same weight as HCC																				
119	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage		0.497	3,557	8,648	0	526	2.31%	1.05%	0.00%	0.07%	3,452	$333	$13,783,587.86	1947	$7,775,709.69	2,796	$11,164,706.16	1577	$6,298,324.85	#DIV/0!
136	Dialysis Status		1.718	7,781	13,885	1,028	51,090	5.04%	3.98%	8.33%	5.57%	(804)	$1,150	($11,095,580.65)	1634	$22,552,873.04	(653)	($8,987,420.33)	1323	$18,267,827.16	754.96%
		Distinct HCC 130 from																				
		Delete																				
150	Extensive Third-Degree Burns3		0	5	13	0	71	0.00%	0.00%	0.00%	0.01%	(7)	$0	$0.00	-2	$0.00	(6)	$0.00	-1	$0.00	#DIV/0!
		Zero Weight																				
158	Hip Fracture/Dislocation3		0	4,837	11,405	208	24,064	3.14%	3.27%	1.69%	2.62%	803	$0	$0.00	-196	$0.00	650	$0.00	-159	$0.00	2325.48%
		Same weight as HCC																				
	Amputation Status, Lower Limb / Amputation Complications		0.26	3,575	8,564	411	20,641	2.32%	1.88%	3.33%	2.25%	115	$174	$239,825.80	683	$1,426,501.14	93	$194,096.90	553	$1,155,465.93	869.83%
164	Major Complications of Medical Care and Trauma		0.309	10,602	20,619	828	48,613	6.89%	5.91%	6.71%	5.32%	2,419	$207	$8,005,474.82	1506	$3,738,757.75	1,959	$4,864,434.61	1220	$3,028,393.78	1280.43%
174	Major Organ Transplant Status		0.92	780	1,281	70	5,032	0.49%	0.37%	0.57%	0.55%	(84)	$616	($617,767.44)	195	$1,439,365.72	(68)	($500,391.63)	158	$1,165,886.24	1085.71%
178	Artificial Openings for Feeding or Elimination		0.841	4,292	8,847	441	39,321	2.79%	2.54%	3.58%	4.29%	(3,333)	$363	($15,767,019.28)	288	$2,621,809.73	(1,890)	($12,727,285.62)	811	$1,723,658.57	973.24%
				368,618	1,399,248	36,180	3,277,587							($46,404,471.16)		($11,477,062.46)		($34,419,464.74)		($9,067,466.66)	1194.23%

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2012 OSHPD DATA

				Total Claims	146,567	343,866	11,638	903,188					National Factor	$8,035								
													Readmission Rate	18.40%								
				Medicare Managed Care Claims			Medicare Traditional Claims		Medicare Total Comparison Rate		Medicare Traditional Comparison Rate		Excess Cases	Estimated Impact	Estimated Add'l	Excess Cases	Estimated Add'l	Excess Cases	Estimated Add'l	Excess Cases	Estimated Add'l	
				Kaiser	All Other		All CA Hospitals		Rest of		Rest of		Coded Based on	on PMPM	Annual Reimb in	Coded Based on	Annual Reimb in	Coded Based on	Annual Reimb in	Coded Based on	Annual Reimb in	
HCC DATES	HCC Desc		HCC Weight	Hospitals	CA Hospitals	Traditional - Kaiser	Excluding Kaiser Hospitals	Kaiser Traditional Care	CA Managed Care	Kaiser Traditional Care	CA Traditional Care	Assumption that Kaiser Managed care vs CA Traditional Care	Amount	Gross Dollars for Kaiser Managed care vs CA Traditional Care	Comparison b/w Kaiser Managed care vs CA Managed Care	Gross Dollars for Kaiser Managed care vs CA Managed Care	Comparison b/w Kaiser Managed care vs CA Traditional Care (Adjusted for Readmission Rate)	Gross Dollars for Kaiser Managed care vs CA Traditional Care (Adjusted for Readmission Rate)	Comparison b/w Kaiser Managed care vs CA Managed Care (Adjusted for Readmission Rate)	Gross Dollars for Kaiser Managed care vs CA Managed Care (Adjusted for Readmission Rate)	Percentage of Kaiser Managed Care Claims to Kaiser Traditional Care Claims
1	HIV/AIDS		1.374	361	888	43	3,958	0.2%	0.2%	0.4%	0.4%	(281)	$920	($3,305,398.41)	58	$747,949.22	(230)	($2,524,005.11)	55	$610,326.57	839.53%
2	Septicemia, Sepsis, Systemic Inflammatory Response Syndrome/Shock		0.471	47,273	83,400	4,804	208,267	32.3%	24.3%	41.3%	22.8%	13,801	$315	$52,226,004.73	11725	$44,371,762.66	11,261	$42,616,419.86	9568	$36,207,358.33	984.03%
3	Opportunistic Infections		0.541	754	1,688	72	6,389	0.5%	0.5%	0.6%	0.7%	(280)	$362	($1,235,119.04)	35	$150,036.80	(228)	($991,357.13)	28	$122,430.03	1047.22%
4	Metastatic Cancer and Acute Leukemia		0.808	10,526	20,264	784	52,073	7.2%	5.9%	6.7%	5.8%	2,076	$621	$15,477,072.93	1389	$14,083,274.01	1,694	$12,629,191.51	1541	$11,491,914.01	1349.60%
		Delete																				
18	Diabetes with Chronic Complications		0.454	97,446	126,495	6,563	118,801	66.5%	36.8%	56.8%	33.1%	78,202	$291	$272,694,476.73	43531	$151,795,693.03	53,813	$223,518,693.00	35529	$123,865,285.53	1484.81%
		Delete																				
21	Protein-Calorie Malnutrition		0.343	27,614	41,344	2,253	80,770	18.8%	12.0%	19.2%	8.9%	14,507	$230	$38,979,520.38	9992	$27,536,390.80	11,838	$32,623,288.61	8153	$22,469,694.89	1236.63%
22	Morbid Obesity		0.353	12,826	26,435	1,094	66,317	9.3%	7.7%	9.4%	7.2%	3,027	$236	$8,583,995.42	2359	$6,689,303.63	2,470	$7,004,540.26	1515	$5,458,471.92	1245.52%
23	Other Significant Endocrine and Metabolic Disorders		0.248	10,812	15,567	913	33,267	7.2%	4.5%	7.8%	3.7%	5,210	$166	$10,382,030.48	3968	$7,907,243.88	4,252	$8,471,736.87	3238	$6,452,311.01	1362.32%
27	End-Stage Liver Disease		0.637	3,291	6,750	362	22,097	2.2%	2.0%	3.1%	2.4%	(295)	$427	($1,509,042.56)	414	$2,118,466.18	(241)	($1,233,278.73)	338	$1,728,654.72	909.12%
		Delete																				
33	Intestinal Obstruction/Perforation		0.302	5,177	17,998	600	44,627	5.6%	5.2%	5.2%	4.9%	935	$202	$2,268,873.86	548	$1,330,346.88	763	$1,851,401.07	447	$1,085,563.05	1362.83%
34	Chronic Pancreatitis		0.175	706	1,344	83	3,435	0.5%	0.4%	0.7%	0.4%	149	$117	$208,910.48	133	$187,206.59	121	$170,470.85	109	$153,760.58	850.60%
35	Inflammatory Bowel Disease		0.25	1,552	2,758	120	6,092	1.1%	0.8%	1.0%	0.7%	563	$167	$1,131,701.12	377	$757,871.47	460	$923,468.31	308	$618,423.12	1293.33%
39	Bone/Joint/Muscle Infections/Necrosis		0.388	2,772	5,300	245	15,912	1.9%	1.5%	2.1%	1.8%	190	$158	$588,375.86	513	$1,590,890.35	155	$480,440.94	419	$1,299,166.51	1131.43%
40	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease		0.222	8,508	16,325	588	38,828	5.8%	4.7%	4.9%	4.3%	2,207	$149	$3,936,804.42	1550	$2,764,258.16	1,801	$3,212,432.40	1265	$2,255,634.66	1497.86%
46	Severe Hematological Disorders		0.638	1,660	3,011	172	9,884	1.1%	0.9%	1.0%	1.1%	79	$427	$402,431.41	367	$1,879,291.02	64	$328,884.03	299	$1,535,501.47	1473.21%
		substract HCC 46 from 48																				
47	Disorders of Immunity		0.438	3,271	6,891	245	22,950	2.2%	2.0%	2.1%	2.5%	(453)	$292	($1,587,852.46)	334	$1,169,418.12	(370)	($1,295,687.61)	273	$954,245.19	1331.76%
51	Dementia With Complications			3,249	5,877	253	15,496	2.2%	1.7%	2.0%	1.7%	735	$0	$0.00	744	$0.00	599	$0.00	607	$0.00	1394.07%
52	Dementia Without Complication			20,175	51,019	1,676	157,316	13.8%	14.8%	14.4%	17.4%	(5,354)	$0	$0.00	-1571	$0.00	(4,369)	$0.00	-1282	$0.00	1201.76%
		Same weight as HCC 55																				
55	Drug/Alcohol Dependence		0.051	3,645	7,951	410	28,550	2.5%	2.3%	3.5%	3.2%	(949)	$34	($405,499.93)	156	$104,906.26	(807)	($330,854.98)	209	$85,603.51	889.02%
		Same weight as HCC 58																				
58	Major Depressive, Bipolar, and Paranoid Disorders		0.274	19,979	31,216	1,107	56,904	13.6%	9.1%	9.5%	6.3%	10,745	$183	$23,654,717.48	6674	$14,693,166.55	8,768	$19,307,249.46	5446	$11,996,807.91	1804.77%
		Same weight as HCC 71																				
71	Paraplegia		0.497	844	1,304	78	8,057	0.4%	0.4%	0.7%	0.7%	(339)	$333	($1,353,369.46)	88	$352,167.55	(277)	($1,104,549.48)	72	$287,868.72	841.03%
		substract HCC 71 from 72																				
		Substract 72 from 103																				
		Delete																				
73	Amyotrophic Lateral Sclerosis and Other Motor Neuron Disease		0.294	134	225	14	778	0.1%	0.1%	0.1%	0.1%	8	$197	$18,302.79	38	$89,993.67	6	$14,935.08	31	$73,434.83	957.14%
74	Cerebral Palsy			169	361	32	2,943	0.1%	0.1%	0.3%	0.3%	(309)	$0	$0.00	15	$0.00	(252)	$0.00	12	$0.00	528.13%
75	Polyneuropathy		0.256	28,719	41,586	1,852	56,903	19.6%	12.1%	15.9%	6.3%	19,470	$171	$40,048,232.52	10994	$22,612,635.57	15,888	$32,679,357.73	8971	$18,451,910.63	1550.70%
76	Muscular Dystrophy		0.247	77	138	3	518	0.1%	0.0%	0.0%	0.1%	(7)	$165	($13,366.38)	18	$36,078.93	(5)	($10,906.96)	15	$29,440.41	1566.67%
77	Multiple Sclerosis			794	1,466	76	4,592	0.5%	0.4%	0.7%	0.5%	62	$0	$0.00	169	$0.00	51	$0.00	138	$0.00	1017.95%
78	Parkinson's and Huntington's Diseases		0.11	2,882	6,045	175	19,282	1.8%	1.8%	1.5%	2.1%	(467)	$74	($412,772.06)	85	$75,491.05	(381)	($336,822.00)	70	$61,909.68	1521.84%
79	Seizure Disorders and Convulsions		0.173	5,517	12,953	743	50,774	3.8%	3.8%	6.4%	5.6%	(2,722)	$116	($9,784,250.19)	-8	($11,499.59)	(2,222)	($3,087,948.15)	-7	($9,383.67)	742.81%
82	Respirator Dependence/Tracheostomy Status		1.567	1,269	2,754	138	14,877	0.9%	0.8%	1.2%	1.6%	(1,125)	$1,049	($14,166,716.47)	115	$1,449,758.57	(918)	($11,560,042.27)	94	$1,183,035.63	934.06%
		Delete																				
		Substract 82 from 84																				
85	Congestive Heart Failure		0.228	75,518	159,261	6,217	385,824	51.5%	46.3%	53.4%	42.7%	12,940	$151	$23,496,918.46	7636	$13,864,927.24	10,559	$19,173,485.46	6231	$11,313,780.63	1214.77%
86	Acute Myocardial Infarction		0.394	6,732	16,867	832	31,497	4.6%	4.9%	5.4%	3.5%	1,621	$264	$5,130,764.96	-385	($1,218,251.15)	1,323	$4,186,704.22	-314	($994,092.94)	1065.19%
		Delete																				
96	Specified Heart Arrhythmias		0.227	48,833	104,932	3,508	234,451	33.3%	30.5%	30.1%	26.0%	10,787	$152	$19,674,004.74	4107	$7,491,401.30	8,802	$16,053,687.87	3353	$6,119,283.46	1392.84%
		Same weight as 100																				
100	Ischemic or Unspecified Stroke		0.175	4,956	11,869	547	24,691	3.4%	3.5%	4.7%	2.7%	949	$117	$1,334,657.95	-103	($144,787.57)	775	$1,089,080.89	-84	($118,146.66)	906.03%
108	Atherosclerosis of the Extremities with Ulceration or Gangrene		0.773	1,573	3,465	148	9,681	1.1%	1.0%	1.3%	1.1%	(30)	$518	($188,200.45)	96	$596,852.96	(25)	($154,387.57)	78	$487,092.01	1062.84%
		subtract 108 from 107																				
		subtract 107 from 108																				
		Delete																				
		same weight as 111																				
111	Chronic Obstructive Pulmonary Disease		0.323	27,874	66,033	2,224	196,866	19.0%	19.8%	19.1%	22.0%	(4,397)	$326	($13,412,331.14)	-1124	($3,916,987.13)	(3,588)	($9,312,462.21)	-917	($2,380,258.23)	1193.33%
		Delete																				
114	Aspiration and Specified Bacterial Pneumonias		0.239	5,539	13,157	669	53,965	3.8%	3.8%	5.7%	6.0%	(3,222)	$160	($6,186,319.78)	-69	($132,478.36)	(2,629)	($5,048,036.24)	-56	($108,061.54)	831.46%
		Delete																				
122	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage		0.366	3,275	3,388	294	661	2.2%	1.0%	2.5%	0.1%	3,168	$145	$9,315,369.48	1822	$5,386,696.72	2,585	$7,601,341.50	1465	$4,395,544.52	1113.95%
124	Exudative Macular Degeneration		0.178	736	753	40	112	0.5%	0.2%	0.4%	0.0%	718	$119	$1,026,617.70	411	$587,495.48	586	$837,720.04	335	$479,314.61	1800.00%
		same weight as HCC 135																				
135	Acute Renal Failure		0.538	20,967	50,552	1,937	141,585	14.3%	14.7%	16.6%	15.7%	(2,009)	$260	($8,684,449.24)	-580	($2,507,065.48)	(1,639)	($7,086,510.58)	-473	($2,045,793.26)	1082.45%
		Delete																				
136	Chronic Kidney Disease, Moderate (Stage 3)		0.304	33,815	51,547	1,824	52,485	23.1%	15.0%	14.0%	5.8%	25,298	$204	$61,791,360.58	11844	$28,929,367.13	20,643	$50,421,750.23	9665	$23,606,359.50	2082.20%
139	Chronic Kidney Disease, Mild or Unspecified (Stages 1-2 or Unspecified)		0.304	57,309	113,074	3,430	214,913	39.1%	32.9%	29.5%	23.8%	22,433	$204	$54,794,931.05	9113	$22,258,979.05	18,306	$44,712,463.74	7436	$18,163,326.91	1670.82%
140	Unspecified Renal Failure		0.304	90	249	20	955	0.1%	0.1%	0.2%	0.1%	(65)	$204	($158,704.60)	-16	($39,403.98)	(53)	($129,502.86)	-13	($32,153.64)	450.00%
141	Nephritis		0.235	3,489	8,249	323	19,570	2.4%	2.4%	2.8%	2.2%	293	$157	$553,666.87	-47	($86,753.49)	239	$451,292.00	-38	($72,422.85)	1073.98%
		same weight as HCC 158																				
158	Pressure Ulcer of Skin with Full Thickness Skin Loss		0.284	2,306	4,166	256	13,093	1.6%	1.2%	2.2%	1.4%	181	$190	$413,705.37	529	$1,206,143.53	148	$337,583.58	432	$985,845.12	891.80%
159	Pressure Ulcer of Skin with Partial Thickness Skin Loss		0.284	3,379	6,222	305	17,409	2.3%	1.8%	2.6%	1.9%	554	$190	$1,263,950.04	727	$1,658,844.85	452	$1,031,383.25	593	$1,353,617.40	1107.87%
160	Pressure Pre-Ulcer Skin Changes or Unspecified Stage		0.284	13,178	24,168	1,298	71,101	9.0%	7.0%	11.1%	7.9%	1,640	$190	$3,742,051.68	2869	$6,546,880.65	3,838	$8,053,514.17	2341	$5,342,254.61	1016.82%
162	Severe Skin Burn or Condition		0	36	62	2	308	0.0%	0.0%	0.0%	0.0%	(14)	$0	$0.00	1	$0.00	(11)	$0.00	1	$0.00	1800.00%
166	Severe Head Injury		0.103	18	135	5	383	0.0%	0.0%	0.1%	0.0%	(44)	$69	($36,539.50)	-40	($37,723.65)	(36)	($29,816.07)	-31	($26,702.50)	900.00%
		Zero weight																				
170	Hip Fracture/Dislocation		0	4,787	11,298	327	24,386	3.3%	3.3%	2.8%	2.7%	810	$0	$0.00	-49	$0.00	661	$0.00	-40	$0.00	1480.43%
173	Traumatic Amputations and Complications		0.067	91	314	9	851	0.1%	0.1%	0.1%	0.1%	(47)	$45	($25,354.09)	-43	($23,060.53)	(38)	($20,688.94)	-35	($18,817.39)	1011.11%
179	Complications of Specified Implanted Device or Graft		0.369	4,957	9,275	413	24,975	3.4%	2.7%	3.5%	2.6%	904	$247	$2,680,547.97	1004	$2,975,713.80	738	$2,187,727.14	819	$2,428,182.46	1200.24%
186	Major Organ Transplant or Replacement Status		1.12	823	1,448	103	5,529	0.6%	0.4%	0.9%	0.6%	(74)	$750	($668,002.19)	207	$1,859,756.54	(61)	($545,089.78)	169	$1,517,561.34	799.03%
188	Artificial Openings for Feeding or Elimination		0.658	4,296	8,974	404	38,930	2.9%	2.6%	3.5%	4.3%	(2,031)	$441	($10,687,129.52)	473	$2,489,968.52	(1,650)	($8,720,697.69)	384	$2,031,814.32	1063.37%
				577,655	1,439,609	69,190	9,797,575							$668,171,469.48		$497,568,718.02		$545,223,813.09		$395,177,641.90	1760.32%

PRIME HEALTHCARE SERVICES
HCC CODING - KAISER VS. ALL OTHER CALIFORNIA HOSPITALS
BASED ON 2013 CDHPD DATA

HCC	2013 Title	RAF Value	Total Claims	Prevalence	Count	Expected Count	Actual / Expected Ratio	Actual Reimbursement Factor	Expected Reimbursement Factor	Actual / Expected Reimbursement Ratio	Actual Reimbursement Share	Expected Reimbursement Share	Actual / Expected Reimbursement Share Ratio	Actual Reimbursement Share Minus Expected Reimbursement Share	Actual Reimbursement Share Minus Expected Reimbursement Share Ratio	Actual Reimbursement Share Minus Expected Reimbursement Share Ratio Minus 1	Actual Reimbursement Share Minus Expected Reimbursement Share Ratio Minus 1 Times Actual Reimbursement Share	Actual Reimbursement Share Minus Expected Reimbursement Share Ratio Minus 1 Times Actual Reimbursement Share Times National Factor	Actual Reimbursement Share Minus Expected Reimbursement Share Ratio Minus 1 Times Actual Reimbursement Share Times National Factor Times Readmission Factor	Actual Reimbursement Share Minus Expected Reimbursement Share Ratio Minus 1 Times Actual Reimbursement Share Times National Factor Times Readmission Factor Times Total Claims	Actual Reimbursement Share Minus Expected Reimbursement Share Ratio Minus 1 Times Actual Reimbursement Share Times National Factor Times Readmission Factor Times Total Claims Divided by Total Claims	Difference in percentage points between Kaiser and other California hospitals
1	HIV/AIDS	1.732		564	545	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	0.21%	-0.18%
2	Septicemia/Shock	0.708	29,149	54,507	2,845	124,578	19.36%	14.81%	29.81%	49.69%	14.81%	29.81%	49.69%	-14.88%	-0.50	7.44%	7.44%	7.44%	7.44%	7.44%	7.44%	6.76%
5	Opportunistic Infections	0.471	743	1,987	86	5,870	1.36%	0.47%	0.70%	67.14%	0.47%	0.70%	67.14%	-0.23%	-0.33	0.16%	0.16%	0.16%	0.16%	0.16%	0.16%	0.03%
111	Aspiration and Specified Bacterial Pneumonias	0.809	8,606	14,458	701	23,023	3.96%	4.66%	3.96%	117.68%	6.11%	3.96%	154.33%	2.15%	0.54	1.16%	1.16%	1.16%	1.16%	1.16%	1.16%	-0.37%
	Diabetes																					
1	Metastatic Cancer and Acute Leukemia	0.81	12,921	24,048	836	32,480	6.87%	7.31%	3.88%	188.37%	6.07%	3.88%	156.47%	3.69%	0.56	2.07%	2.07%	2.07%	2.07%	2.07%	2.07%	1.81%
	Diabetes																					
11	Diabetes with Neurologic or Other Specified Manifestation 1 of 2	Subsumed HCC: 15 from 17	0.473	46,477	86,107	2,366	83,865	18.18%	19.47%	6.58%	96,329	8777	5.19%	87,552	4.19%	3.19%	279,284	279,284	279,284	279,284	279,284	279,284	13.70%
	Diabetes																					
21	Protein-Calorie Malnutrition	0.966	19,205	47,114	2,445	49,128	23.65%	13.96%	21.25%	9.11%	18.84%	9240	5.24%	9,600	4.24%	3.24%	29,952	29,952	29,952	29,952	29,952	29,952	8.59%
22	End-Stage Liver Disease	0.837	3,448	7,885	334	21,878	2.31%	2.09%	2.85%	73.36%	1.84%	2.85%	64.62%	-1.01%	-0.35	0.65%	0.65%	0.65%	0.65%	0.65%	0.65%	-1.57%
	Diabetes																					
31	Intestinal Obstruction/Perforation	0.293	8,408	18,807	615	43,165	5.66%	3.13%	5.59%	4.44%	3.07%	5130	2.93%	-2,043	-0.40	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.17%
32	Pancreatic Disease	0.374	4,451	8,803	405	19,245	2.98%	2.47%	3.53%	2.29%	2.47%	5130	2.93%	-2,043	-0.40	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	0.17%
33	Inflammatory Bowel Disease	0.283	1,006	2,004	84	6,778	1.08%	0.82%	0.81%	0.87%	0.82%	5188	0.81%	-2,043	-0.39	0.61%	0.61%	0.61%	0.61%	0.61%	0.61%	0.17%
37	Bowel Incontinence Irregularities/Ileostomies	0.87	2,898	6,636	266	10,956	1.34%	1.62%	1.24%	2.49%	1.83%	5449	3.07%	-1,734	-0.32	0.68%	0.68%	0.68%	0.68%	0.68%	0.68%	0.11%
38	Rheumatoid Arthritis and Inflammatory Connective Tissue Disease	0.364	6,355	15,744	587	28,660	3.54%	2.44%	3.24%	1.30%	2.44%	5784	3.26%	-1,734	-0.32	0.68%	0.68%	0.68%	0.68%	0.68%	0.68%	0.11%
44	Severe Hematological Disorders	0.6	1,488	2,902	131	8,758	1.00%	0.85%	1.07%	1.07%	0.85%	5402	3.04%	-1,734	-0.32	0.68%	0.68%	0.68%	0.68%	0.68%	0.68%	0.11%
45	Disorders of Immunity	0.533	3,809	8,170	294	23,320	2.47%	2.27%	2.11%	2.24%	2.47%	5337	3.01%	-1,734	-0.32	0.68%	0.68%	0.68%	0.68%	0.68%	0.68%	0.17%
	No weights																					
54	Schizophrenia	0.407	1,106	4,260	200	43,727	0.14%	1.19%	4.29%	0.03%	0.23%	6273	3.54%	-5,973	-0.95	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	-4.13%
55	Drug/Alcohol Psychosis	0.858	845	1,647	72	8,230	0.92%	0.79%	0.83%	0.95%	0.79%	6287	3.55%	-5,973	-0.95	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	-0.04%
57	Major Depressive, Bipolar, and Paranoid Disorders	0.318	2,556	5,077	226	16,139	1.70%	1.52%	1.65%	0.92%	1.52%	6287	3.55%	-5,973	-0.95	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	-0.04%
	No weight																					
	Diabetes																					
70	Muscular Dystrophy 2		65	165	6	528	0.04%	0.04%	0.00%	0.00%	0.04%	130	0.07%	-65	-0.01	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.02%
71	Polyneuropathy	0.277	51,422	98,317	4,844	97,598	21.09%	21.94%	16.50%	6.64%	21.94%	21864	12.34%	8,042	1.34	5.34%	5.34%	5.34%	5.34%	5.34%	5.34%	14.49%
72	Paraplegia	0.327	1,728	4,258	185	11,552	0.73%	0.46%	0.70%	0.66%	0.46%	5130	2.93%	-2,043	-0.40	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	-0.13%
73	Quadriplegia	0.538	2,008	6,104	165	18,477	1.69%	1.42%	2.17%	0.65%	1.42%	5130	2.93%	-2,043	-0.40	0.60%	0.60%	0.60%	0.60%	0.60%	0.60%	-0.13%
74	Seizure Disorders and Convulsions	0.192	5,964	13,859	804	40,367	3.42%	3.84%	7.00%	1.66%	3.84%	5179	2.96%	-1,734	-0.32	0.68%	0.68%	0.68%	0.68%	0.68%	0.68%	-1.73%
77	Hemiplegia/Paraplegia/Paralysis of Brain	0.278	477	1,218	58	4,411	0.49%	0.35%	0.42%	0.74%	0.35%	31425	17.97%	-15,245	-2.46	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-4.42%
	No weight																					
	Diabetes																					
80	Congestive Heart Failure	0.228	80,277	173,271	8,651	384,906	55.71%	48.32%	52.77%	45.17%	51.91%	5133	2.93%	48,773	44.77	45.77%	45.77%	45.77%	45.77%	45.77%	45.77%	8.34%
81	Acute Myocardial Infarction	0.458	8,727	19,142	878	37,008	6.05%	4.67%	4.81%	97.26%	5.04%	5284	3.02%	1,750	0.32	3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	0.30%
	Diabetes																					
82	Unstable Angina and Other	Subsumed HCC: 81 from 82	0.245	52,607	115,462	3,606	250,160	33.33%	31.25%	31.06%	28.16%	19,403	11.09%	3,244	0.60	31.06%	31.06%	31.06%	31.06%	31.06%	31.06%	8.81%
	Diabetes																					
96	Ischemic or Unspecified Stroke	0.151	8,591	17,696	543	33,782	3.58%	3.51%	4.79%	2.73%	3.51%	5105	2.91%	-1,734	-0.32	0.68%	0.68%	0.68%	0.68%	0.68%	0.68%	0.44%
104	Vascular Disease with Complications	0.47	4,285	12,866	467	29,803	4.59%	3.57%	4.24%	3.07%	3.57%	5315	3.03%	1,750	0.32	3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	1.11%
105	Vascular Disease with Complications	Subsumed: 104 from 105	0.47	4,285	12,866	467	29,803	4.59%	3.57%	4.24%	3.07%	5315	3.03%	1,750	0.32	3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	1.11%
161	Chronic Atrial Fibrillation	0.272	20,504	37,205	1,806	86,278	11.48%	10.14%	11.06%	9.17%	10.14%	5346	3.05%	4,798	0.88	10.14%	10.14%	10.14%	10.14%	10.14%	10.14%	2.69%
	Diabetes																					
	Same weight as HCC 161																					
158	Chronic Obstructive Pulmonary Disease	0.378	26,505	71,640	2,114	180,198	18.96%	19.26%	18.40%	22.05%	19.26%	5418	3.09%	13,824	2.49	22.05%	22.05%	22.05%	22.05%	22.05%	22.05%	5.83%
159	Proliferative Diabetic Retinopathy and Vitreous Hemorrhage	0.44	5,707	3,827	295	7,728	2.68%	1.04%	1.57%	3.62%	1.84%	5535	3.16%	1,750	0.32	3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	1.11%
160	Diabetic Ulcer	0.671	13,845	7,149	50,420	5.98%	1.84%	5.78%	1.84%	5.98%	51,482	3.16%	1,750	0.32	3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	1.11%	
162	Severe Hematological Disorders																					
	Same weight as HCC 17																					
17	Diabetes with Acute Complications	0.296	3,448	8,665	352	18,744	3.91%	1.96%	3.91%	0.07%	1.96%	5574	3.18%	1,750	0.32	3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	1.11%
135	Extensive Third Degree Burns 2		4	15	1	64	0.00%	0.00%	0.01%	0.00%	0.00%	81	0.05%	-66	-0.01	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	-0.01%
	Same weight as HCC 76																					
176	Cystic Fibrosis/Chronic Lung Disease	0.06	2,572	8,647	326	14,902	1.70%	1.70%	3.33%	1.17%	1.70%	1866	1.06%	-1,734	-0.32	0.68%	0.68%	0.68%	0.68%	0.68%	0.68%	-0.12%
	No weights																					
138	Hip Fracture/Dislocation 3		4,058	11,875	348	24,208	3.32%	3.32%	1.01%	2.78%	3.32%	784	0.45%	0	0.00	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.32%
	Same weight as HCC 17																					
17	Diabetes with Acute Complications	0.296	3,448	8,665	352	18,744	3.91%	1.96%	3.91%	0.07%	1.96%	5574	3.18%	1,750	0.32	3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	1.11%
154	Amputation Status, Lower Limb/Amputation Complications	0.325	8,438	20,564	852	46,306	6.81%	5.78%	5.91%	5.91%	5.78%	5618	3.21%	1,750	0.32	3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	1.11%
174	Major Organ Transplant Status	0.925	402	847	41	3,064	0.27%	0.13%	0.39%	0.15%	0.13%	5619	3.21%	1,750	0.32	3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	1.11%
176	Artificial Openings for Feeding or Elimination	0.881	864	1,885	37	6,811	0.54%	0.18%	0.79%	0.23%	0.18%	5626	3.21%	1,750	0.32	3.32%	3.32%	3.32%	3.32%	3.32%	3.32%	1.11%
	Amputation Status, Lower Limb/Amputation Complications		893,388	1,750,536	121,861	873,146																

National Factor: 18.00%
Readmission Rate: 18.40%

EXHIBIT 5

Kaiser California																							
			History of Risk Ajustment					CMS Cost for FFS and Avg. Rates for 5 star MA Plans															
Year	Title XVIII - Medicare Premiums	Kaiser Medicare Risk Members	PMPM	Risk Portion(HCC Driven)	Demographic Portion	% increase in PMPM	Coding Adjustment Factor Applied	CMS Cost for FFS PMPM	Excess Annual Payment to Kaiser for FFS (Adjusted for Kaiser CA Risk Members)	CMS Rates for MA PMPM 5-star Plan Avg. for CA	Excess Annual Payment to Kaiser for MA (Adjusted for Kaiser CA Risk Members)	Excess Payment due to HCC for total inpatient admission for Kaiser MA vs CA Traditional Care	Excess Payment due to HCC for total inpatient admission for Kaiser MA vs CA MA)	Total Inpatient admission	Aggressive HCC Coding Patterns resulting in Excess Reimbursement For Kaiser								
															Kaiser MA Patients at Kaiser Hospitals V/S Traditional Medicare Patients at Other CA Hospitals					Kaiser MA Patients at Kaiser Hospitals V/S Other MA Patients at Other CA Hospitals			
															Excess Payment When Aplied to total CA MCR Risk population (Kaiser MA vs CA Traditional Care)	Extra PMPM Due to HCC coding Patterns at Kaiser (Kaiser MA vs CA Traditional Care)	%increase in PMPM attributed to Extra PMPM Due to HCC coding Patterns at Kaiser (Kaiser MA vs CA Traditional Care)	Excess Payment When Aplied to total CA MCR Risk population (Kaiser MA vs CA MA)	Extra PMPM Due to HCC coding Patterns at Kaiser (Kaiser MA vs CA MA)	%increase in PMPM attributed to Extra PMPM Due to HCC coding Patterns at Kaiser (Kaiser MA vs CA MA)
2001		619,531						*															
2002	$4,766,607,000.00	647,266	$613.68	10%	90%			*															
2003	$5,857,476,000.00	656,147	$743.92	10%	90%	21%		$ 548.43	$1,953,588,873.37	$ 611.24	$1,446,454,052.61												
2004	$6,381,722,000.00	672,851	$790.38	30%	70%	6%		$ 590.22	$1,813,306,169.07	$ 654.70	$1,274,312,397.69												
2005	$6,746,963,000.00	696,582	$807.15	50%	50%	2%		$ 608.62	$3,400,561,629.57	$ 712.79	$2,532,891,648.05												
2006	$8,470,253,000.00	694,149	$1,016.86	75%	25%	26%		$ 634.89	$3,653,558,459.13	$ 761.75	$2,598,369,344.62												
2007	$8,934,284,000.00	693,133	$1,074.14	100%	0%	6%		$ 671.39	$4,137,536,433.79	$ 803.87	$3,018,038,055.66												
2008	$9,811,084,000.00	704,200	$1,161.02	100%	0%	8%		$ 683.01	$4,410,443,334.02	$ 835.06	$3,059,901,044.76												
2009	$10,476,987,000.00	740,173	$1,179.57	100%	0%	2%		$ 701.30	$4,248,444,069.26	$ 839.09	$2,955,090,095.47												
2010	$10,830,983,000.00	782,182	$1,153.93	100%	0%	-2%	-3.41%	$ 715.20	$3,960,744,987.72	$ 839.09	$2,732,954,257.46												
2011	$11,048,405,000.00	825,836	$1,114.87	100%	0%	-3%	-3.41%	$ 707.71	$4,837,699,495.62	$ 863.96	$3,160,745,851.04												
2012	$12,433,190,000.00	894,377	$1,158.46	100%	0%	4%	-3.41%	$ 713.55	$5,131,642,599.06	$ 867.34	$3,422,485,930.32	$456,684,863.81	$221,938,790.21	118,511	$1,318,774,595.33	$156.06	13.44%	$1,125,266,578.43	$133.16	11.47%			
2013	$13,061,671,000.00	926,127	$1,175.30	100%	0%	1%	-3.41%		$37,547,526,050.62		$27,958,115,209.68	$545,227,919.09	$220,790,544.07	121,543	$1,344,571,052.05	$151.38	12.83%	$1,251,626,176.24	$140.92	11.95%			
Total	$108,819,625,000.00								$26,726,510,919.48		$18,349,215,214.72	$2,107,754,439.10	$1,633,819,044.24		$14,455,832,951.57						$14,455,832,951.57		$11,111,193,409.05
Total for 2008 - 2013	$67,662,320,000.00																						

United Healthcare of California (UHC of California)						Kaiser		
Year	Title XVIII - Medicare Premiums	Medicare Risk Members	PMPM	% increase in PMPM	Coding Ajustment Factor Applied	Kaiser PMPM	Kaiser Medicare Risk Members	Excess Payment for Kaiser (Adjusted for the Risk Members)
2007	$3,857,038,000.00	342,173	$939.35	6%		$1,074.14	693,133	$1,121,159,293.92
2008	$3,959,126,000.00	331,644	$994.82	6%		$1,161.02	704,200	$1,404,429,487.33
2009	$4,103,447,000.00	323,873	$1,055.83	6%		$1,179.57	740,173	$1,099,049,733.44
2010	$3,848,251,000.00	303,747	$1,055.77	0%	-3.41%	$1,153.93	782,182	$921,312,571.38
2011	$3,990,628,000.00	307,889	$1,080.10	2%	-3.41%	$1,114.87	825,836	$344,533,588.52
2012	$4,326,863,000.00	326,203	$1,105.36	2%	-3.41%	$1,158.46	894,377	$569,881,724.63
2013	$4,011,753,000.00	330,237	$1,012.34	-8%	-3.41%	$1,175.30	926,127	$1,810,985,066.47
Total								$7,271,351,465.70
Total for 2008 - 2013								$6,150,192,171.78

Inter Valley Health Plan						Kaiser		
Year	Title XVIII - Medicare Premiums	Medicare Risk Members	PMPM	% increase in PMPM	Coding Ajustment Factor	Kaiser PMPM	Kaiser Medicare Risk Members	Excess Payment for Kaiser (Adjusted for the Risk Members)
2007	$131,208,859.00	12,683	$862.10			$1,074.14	693,133	$1,763,646,921.61
2008	$123,870,625.00	12,248	$842.79	-2%		$1,161.02	704,200	$2,689,129,874.84
2009	$130,157,850.00	12,258	$884.85	5%		$1,179.57	740,173	$2,617,684,804.86
2010	$143,336,619.00	14,146	$844.39	-5%	3.41%	$1,153.93	782,182	$2,905,398,147.56
2011	$169,869,477.00	16,558	$854.92	1%	3.41%	$1,114.87	825,836	$2,576,105,845.04
2012	$201,504,134.00	18,341	$915.55	7%	3.41%	$1,158.46	894,377	$2,607,081,126.19
2013	$225,191,470.00	20,237	$927.31	1%	3.41%	$1,175.30	926,127	$2,755,998,195.89
Total								$17,915,044,915.99
Total for 2008 - 2013								$16,151,397,994.38

Aetna Health of California, Inc						Kaiser		
2007	$257,590,453.00	26,199	$819.34			$1,074.14	693,133	$2,119,350,473.56
2008	$315,992,442.00	27,592	$954.36	16%		$1,161.02	704,200	$1,746,359,527.09
2009	$326,103,344.00	27,973	$971.48	2%		$1,179.57	740,173	$1,848,206,016.96
2010	$328,263,418.00	30,548	$895.49	-8%	-3.41%	$1,153.93	782,182	$2,425,793,239.03
2011	$296,552,692.00	23,329	$1,059.31	18%	-3.41%	$1,114.87	825,836	$550,574,447.88
2012	$325,245,507.00	25,049	$1,082.03	2%	-3.41%	$1,158.46	894,377	$820,267,295.93
2013	$306,598,024.00	25,622	$997.18	-8%	-3.41%	$1,175.30	926,127	$1,979,448,372.06
Total								$11,489,999,372.52
Total for 2008 - 2013								$9,370,648,898.96

Blue Cross of California						Kaiser		
2007	$279,339,000.00	27,404	$849.45			$1,074.14	693,133	$1,868,925,691.47
2008	$294,051,000.00	28,202	$868.88	2%		$1,161.02	704,200	$2,468,671,610.81
2009	$301,056,000.00	24,976	$1,004.48	16%		$1,179.57	740,173	$1,555,081,062.78
2010	$231,918,000.00	20,095	$961.76	-4%	-3.41%	$1,153.93	782,182	$1,803,758,064.64
2011	$187,492,000.00	14,236	$1,097.52	14%	-3.41%	$1,114.87	825,836	$171,919,799.66
2012	$154,222,000.00	11,961	$1,074.48	-2%	-3.41%	$1,158.46	894,377	$901,327,305.07
2013	$143,055,000.00	12,223	$975.31	-9%	-3.41%	$1,175.30	926,127	$2,222,507,293.46
Total								$10,992,190,827.90
Total for 2008 - 2013								$9,123,265,136.43

*Healthplans with Title XVIII- Medicare Premiums more than $100,000,000 per year have been used as comparison

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET

I. (a) PLAINTIFFS (Check box if you are representing yourself ☐)

UNITED STATES OF AMERICA, EX REL, NASER AREFI, AJITH KUMAR, AND PRIME HEALTHCARE SERVICES, INC.

DEFENDANTS (Check box if you are representing yourself ☐)

KASIER FOUNDATION HEALTH PLAN, INC., KAISER FOUNDATION HEALTH PLAN OF COLORADO, KAISER FOUNDATION HEALTH PLAN OF GRORGIA, INC., ET AL

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)

County of Residence of First Listed Defendant ALAMEDA
(IN U.S. PLAINTIFF CASES ONLY)

(c) Attorneys *(Firm Name, Address and Telephone Number)* If you are representing yourself, provide the same information.

MARK S. HARDIMAN (SBN 136602), SALVATORE ZIMMITTI (SBN 245678), NELSON HARDIMAN LLP, 11835 WEST OLYMPIC BLVD, SUITE 900, LOS ANGELES CA 90064, TEL: (310) 721-4571,EMAILS: MHARDIMAN@NELSONHARDIMAN.COM, SZIMMITTI@NELSONHARDIMAN.COM

Attorneys *(Firm Name, Address and Telephone Number)* If you are representing yourself, provide the same information.

II. BASIS OF JURISDICTION (Place an X in one box only.)

- ☒ 1. U.S. Government Plaintiff
- ☐ 3. Federal Question (U.S. Government Not a Party)
- ☐ 2. U.S. Government Defendant
- ☐ 4. Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES-For Diversity Cases Only
(Place an X in one box for plaintiff and one for defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	☐ 1	☐ 1	Incorporated or Principal Place of Business in this State	☐ 4	☐ 4
Citizen of Another State	☐ 2	☐ 2	Incorporated and Principal Place of Business in Another State	☐ 5	☐ 5
Citizen or Subject of a Foreign Country	☐ 3	☐ 3	Foreign Nation	☐ 6	☐ 6

IV. ORIGIN (Place an X in one box only.)

☒ 1. Original Proceeding ☐ 2. Removed from State Court ☐ 3. Remanded from Appellate Court ☐ 4. Reinstated or Reopened ☐ 5. Transferred from Another District (Specify) ☐ 6. Multi-District Litigation

V. REQUESTED IN COMPLAINT: JURY DEMAND: ☒ Yes ☐ No (Check "Yes" only if demanded in complaint.)

CLASS ACTION under F.R.Cv.P. 23: ☐ Yes ☐ No ☒ **MONEY DEMANDED IN COMPLAINT:** $ 14,455,832,951

VI. CAUSE OF ACTION (Cite the U.S. Civil Statute under which you are filing and write a brief statement of cause. Do not cite jurisdictional statutes unless diversity.)

FALSE CLAIMS ACT CASE ON BEHALF OF THE UNITED STATES PURSUANT TO 31 U.S.C. SECTION 3729

VII. NATURE OF SUIT (Place an X in one box only).

OTHER STATUTES
- ☒ 375 False Claims Act
- ☐ 400 State Reapportionment
- ☐ 410 Antitrust
- ☐ 430 Banks and Banking
- ☐ 450 Commerce/ICC Rates/Etc.
- ☐ 460 Deportation
- ☐ 470 Racketeer Influenced & Corrupt Org.
- ☐ 480 Consumer Credit
- ☐ 490 Cable/Sat TV
- ☐ 850 Securities/Commodities/Exchange
- ☐ 890 Other Statutory Actions
- ☐ 891 Agricultural Acts
- ☐ 893 Environmental Matters
- ☐ 895 Freedom of Info. Act
- ☐ 896 Arbitration
- ☐ 899 Admin. Procedures Act/Review of Appeal of Agency Decision
- ☐ 950 Constitutionality of State Statutes

CONTRACT
- ☐ 110 Insurance
- ☐ 120 Marine
- ☐ 130 Miller Act
- ☐ 140 Negotiable Instrument
- ☐ 150 Recovery of Overpayment & Enforcement of Judgment
- ☐ 151 Medicare Act
- ☐ 152 Recovery of Defaulted Student Loan (Excl. Vet.)
- ☐ 153 Recovery of Overpayment of Vet. Benefits
- ☐ 160 Stockholders' Suits
- ☐ 190 Other Contract
- ☐ 195 Contract Product Liability
- ☐ 196 Franchise

REAL PROPERTY
- ☐ 210 Land Condemnation
- ☐ 220 Foreclosure
- ☐ 230 Rent Lease & Ejectment

REAL PROPERTY CONT.
- ☐ 240 Torts to Land
- ☐ 245 Tort Product Liability
- ☐ 290 All Other Real Property

TORTS PERSONAL INJURY
- ☐ 310 Airplane
- ☐ 315 Airplane Product Liability
- ☐ 320 Assault, Libel & Slander
- ☐ 330 Fed. Employers' Liability
- ☐ 340 Marine
- ☐ 345 Marine Product Liability
- ☐ 350 Motor Vehicle
- ☐ 355 Motor Vehicle Product Liability
- ☐ 360 Other Personal Injury
- ☐ 362 Personal Injury-Med Malpratice
- ☐ 365 Personal Injury-Product Liability
- ☐ 367 Health Care/ Pharmaceutical Personal Injury Product Liability
- ☐ 368 Asbestos Personal Injury Product Liability

IMMIGRATION
- ☐ 462 Naturalization Application
- ☐ 465 Other Immigration Actions

TORTS PERSONAL PROPERTY
- ☐ 370 Other Fraud
- ☐ 371 Truth in Lending
- ☐ 380 Other Personal Property Damage
- ☐ 385 Property Damage Product Liability

BANKRUPTCY
- ☐ 422 Appeal 28 USC 158
- ☐ 423 Withdrawal 28 USC 157

CIVIL RIGHTS
- ☐ 440 Other Civil Rights
- ☐ 441 Voting
- ☐ 442 Employment
- ☐ 443 Housing/ Accommodations
- ☐ 445 American with Disabilities-Employment
- ☐ 446 American with Disabilities-Other
- ☐ 448 Education

PRISONER PETITIONS

Habeas Corpus:
- ☐ 463 Alien Detainee
- ☐ 510 Motions to Vacate Sentence
- ☐ 530 General
- ☐ 535 Death Penalty

Other:
- ☐ 540 Mandamus/Other
- ☐ 550 Civil Rights
- ☐ 555 Prison Condition
- ☐ 560 Civil Detainee Conditions of Confinement

FORFEITURE/PENALTY
- ☐ 625 Drug Related Seizure of Property 21 USC 881
- ☐ 690 Other

LABOR
- ☐ 710 Fair Labor Standards Act
- ☐ 720 Labor/Mgmt. Relations
- ☐ 740 Railway Labor Act
- ☐ 751 Family and Medical Leave Act
- ☐ 790 Other Labor Litigation
- ☐ 791 Employee Ret. Inc. Security Act

PROPERTY RIGHTS
- ☐ 820 Copyrights
- ☐ 830 Patent
- ☐ 840 Trademark

SOCIAL SECURITY
- ☐ 861 HIA (1395ff)
- ☐ 862 Black Lung (923)
- ☐ 863 DIWC/DIWW (405 (g))
- ☐ 864 SSID Title XVI
- ☐ 865 RSI (405 (g))

FEDERAL TAX SUITS
- ☐ 870 Taxes (U.S. Plaintiff or Defendant)
- ☐ 871 IRS-Third Party 26 USC 7609

FOR OFFICE USE ONLY: Case Number: CV15-07050

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET

VIII. VENUE: Your answers to the questions below will determine the division of the Court to which this case will be initially assigned. This initial assignment is subject to change, in accordance with the Court's General Orders, upon review by the Court of your Complaint or Notice of Removal.

QUESTION A: Was this case removed from state court? ☐ Yes ☒ No If "no," skip to Question B. If "yes," check the box to the right that applies, enter the corresponding division in response to Question E, below, and continue from there.	STATE CASE WAS PENDING IN THE COUNTY OF:	INITIAL DIVISION IN CACD IS:
	☐ Los Angeles, Ventura, Santa Barbara, or San Luis Obispo	Western
	☐ Orange	Southern
	☐ Riverside or San Bernardino	Eastern

QUESTION B: Is the United States, or one of its agencies or employees, a PLAINTIFF in this action? ☒ Yes ☐ No If "no," skip to Question C. If "yes," answer Question B.1, at right.		
	B.1. Do 50% or more of the defendants who reside in the district reside in Orange Co.? *check one of the boxes to the right* →	☐ YES. Your case will initially be assigned to the Southern Division. Enter "Southern" in response to Question E, below, and continue from there. ☒ NO. Continue to Question B.2.
	B.2. Do 50% or more of the defendants who reside in the district reside in Riverside and/or San Bernardino Counties? (Consider the two counties together.) *check one of the boxes to the right* →	☐ YES. Your case will initially be assigned to the Eastern Division. Enter "Eastern" in response to Question E, below, and continue from there. ☒ NO. Your case will initially be assigned to the Western Division. Enter "Western" in response to Question E, below, and continue from there.

QUESTION C: Is the United States, or one of its agencies or employees, a DEFENDANT in this action? ☐ Yes ☒ No If "no," skip to Question D. If "yes," answer Question C.1, at right.		
	C.1. Do 50% or more of the plaintiffs who reside in the district reside in Orange Co.? *check one of the boxes to the right* →	☐ YES. Your case will initially be assigned to the Southern Division. Enter "Southern" in response to Question E, below, and continue from there. ☐ NO. Continue to Question C.2.
	C.2. Do 50% or more of the plaintiffs who reside in the district reside in Riverside and/or San Bernardino Counties? (Consider the two counties together.) *check one of the boxes to the right* →	☐ YES. Your case will initially be assigned to the Eastern Division. Enter "Eastern" in response to Question E, below, and continue from there. ☐ NO. Your case will initially be assigned to the Western Division. Enter "Western" in response to Question E, below, and continue from there.

QUESTION D: Location of plaintiffs and defendants?	**A.** Orange County	**B.** Riverside or San Bernardino County	**C.** Los Angeles, Ventura, Santa Barbara, or San Luis Obispo County
Indicate the location(s) in which 50% or more of *plaintiffs who reside in this district* reside. (Check up to two boxes, or leave blank if none of these choices apply.)	☐	☐	☐
Indicate the location(s) in which 50% or more of *defendants who reside in this district* reside. (Check up to two boxes, or leave blank if none of these choices apply.)	☐	☐	☐

D.1. Is there at least one answer in Column A? ☐ Yes ☒ No	**D.2. Is there at least one answer in Column B?** ☐ Yes ☒ No
If "yes," your case will initially be assigned to the SOUTHERN DIVISION. Enter "Southern" in response to Question E, below, and continue from there. If "no," go to question D2 to the right. →	If "yes," your case will initially be assigned to the EASTERN DIVISION. Enter "Eastern" in response to Question E, below. If "no," your case will be assigned to the WESTERN DIVISION. Enter "Western" in response to Question E, below. ↓

QUESTION E: Initial Division?	**INITIAL DIVISION IN CACD**
Enter the initial division determined by Question A, B, C, or D above: →	WESTERN DIVISION

QUESTION F: Northern Counties?

Do 50% or more of plaintiffs or defendants in this district reside in Ventura, Santa Barbara, or San Luis Obispo counties? ☐ Yes ☒ No

UNITED STATES DISTRICT COURT, CENTRAL DISTRICT OF CALIFORNIA
CIVIL COVER SHEET

IX(a). IDENTICAL CASES: Has this action been previously filed **in this court**? ☒ NO ☐ YES

If yes, list case number(s): _____

IX(b). RELATED CASES: Is this case related (as defined below) to any civil or criminal case(s) previously filed **in this court**?

☒ NO ☐ YES

If yes, list case number(s): _____

Civil cases are related when they (check all that apply):

☐ A. Arise from the same or a closely related transaction, happening, or event;

☐ B. Call for determination of the same or substantially related or similar questions of law and fact; or

☐ C. For other reasons would entail substantial duplication of labor if heard by different judges.

Note: That cases may involve the same patent, trademark, or copyright is not, in itself, sufficient to deem cases related.

A civil forfeiture case and a criminal case are related when they (check all that apply):

☐ A. Arise from the same or a closely related transaction, happening, or event;

☐ B. Call for determination of the same or substantially related or similar questions of law and fact; or

☐ C. Involve one or more defendants from the criminal case in common and would entail substantial duplication of labor if heard by different judges.

X. SIGNATURE OF ATTORNEY (OR SELF-REPRESENTED LITIGANT): M. HARDIMAN DATE: SEPTEMBER 4, 2015

Notice to Counsel/Parties: The submission of this Civil Cover Sheet is required by Local Rule 3-1. This Form CV-71 and the information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. For more detailed instructions, see separate instruction sheet (CV-071A).

Key to Statistical codes relating to Social Security Cases:

Nature of Suit Code	Abbreviation	Substantive Statement of Cause of Action
861	HIA	All claims for health insurance benefits (Medicare) under Title 18, Part A, of the Social Security Act, as amended. Also, include claims by hospitals, skilled nursing facilities, etc., for certification as providers of services under the program. (42 U.S.C. 1935FF(b))
862	BL	All claims for "Black Lung" benefits under Title 4, Part B, of the Federal Coal Mine Health and Safety Act of 1969. (30 U.S.C. 923)
863	DIWC	All claims filed by insured workers for disability insurance benefits under Title 2 of the Social Security Act, as amended; plus all claims filed for child's insurance benefits based on disability. (42 U.S.C. 405 (g))
863	DIWW	All claims filed for widows or widowers insurance benefits based on disability under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))
864	SSID	All claims for supplemental security income payments based upon disability filed under Title 16 of the Social Security Act, as amended.
865	RSI	All claims for retirement (old age) and survivors benefits under Title 2 of the Social Security Act, as amended. (42 U.S.C. 405 (g))